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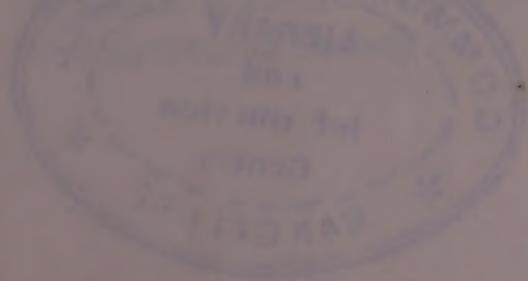
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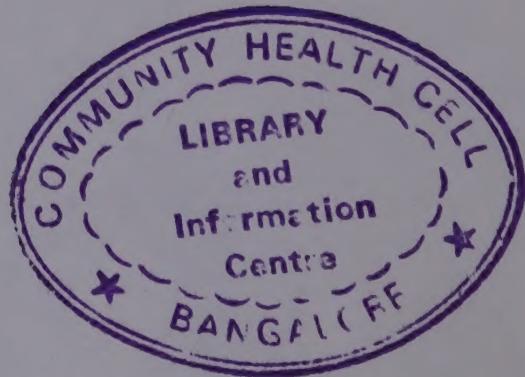
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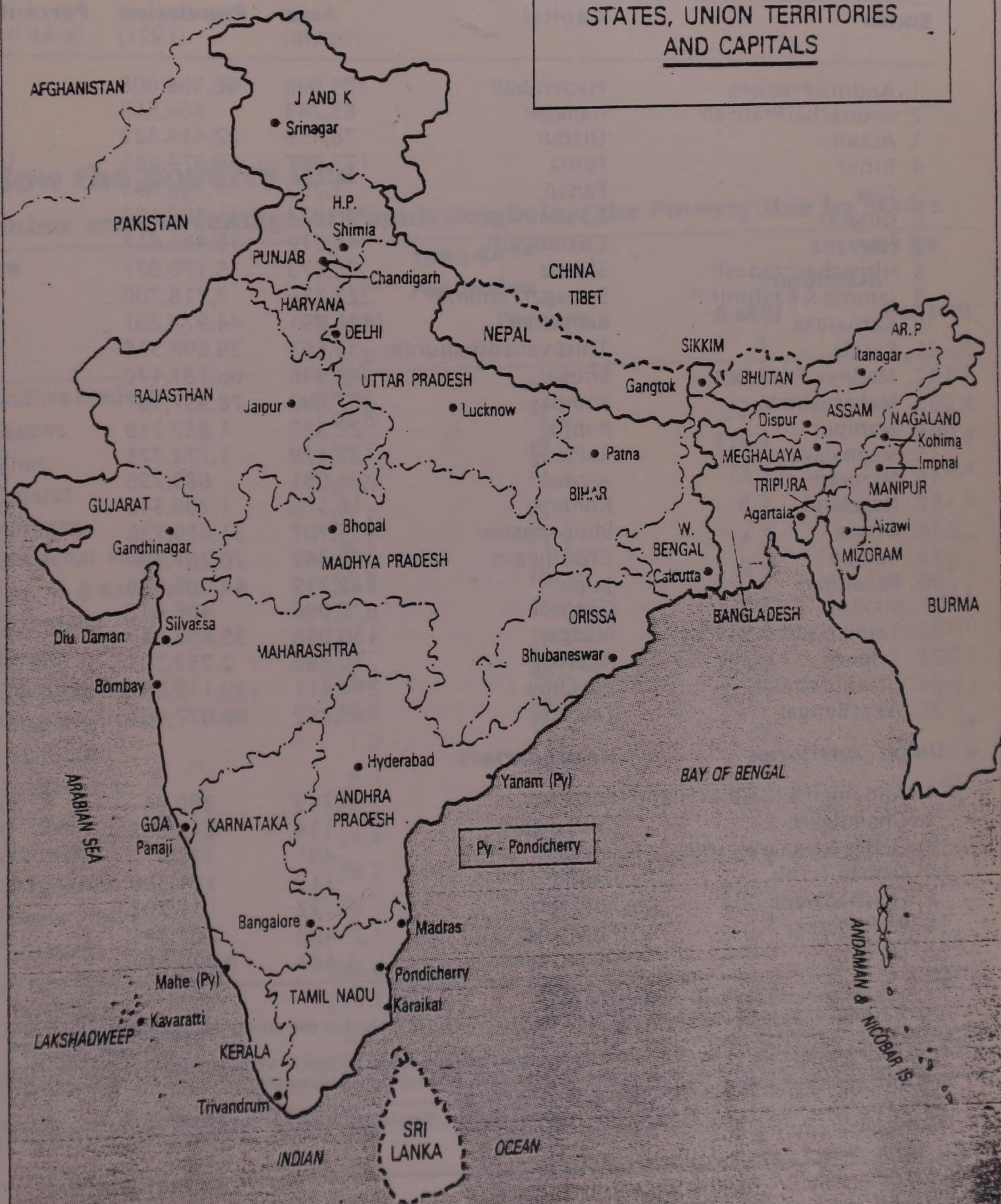
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# INDIA

## STATES, UNION TERRITORIES AND CAPITALS



# Union of India: basic data

Region	Capital	Area (sq km)	Population Final total '91	
INDIA	New Delhi	3,287,263@	846,302,688	
States	Capital	Area (sq km)	Population (1991)	Percentage to All India
1. Andhra Pradesh	Hyderabad	275,068	66,508,008	7.86
2. Arunachal Pradesh	Itanagar	83,743	864,558	0.10
3. Assam	Dispur	78,438	22,414,322	2.65
4. Bihar	Patna	173,877	86,374,465	10.21
5. Goa	Panaji	3,702	1,169,793	0.14
6. Gujarat	Gandhinagar	196,024	41,309,582	4.88
7. Haryana	Chandigarh	44,212	16,463,618	1.94
8. Himachal Pradesh	Shimla	55,673	5,170,877	0.61
9. Jammu & Kashmir**	Srinagar/Jammu*	222,236	7,718,700	0.91
10. Karnataka	Bangalore	191,791	44,977,201	5.31
11. Kerala	Thiruvananthapuram	38,863	29,698,518	3.44
12. Madhya Pradesh	Bhopal	443,446	66,181,170	7.82
13. Maharashtra	Bombay	307,690	78,937,187	9.33
14. Manipur	Imphal	22,327	1,837,119	0.22
15. Meghalaya	Shillong	22,429	1,774,778	0.21
16. Mizoram	Aizawl	21,081	689,756	0.80
17. Nagaland	Kohima	16,579	1,209,546	0.14
18. Orissa	Bhubaneswar	155,707	31,659,736	3.74
19. Punjab	Chandigarh	50,362	20,281,969	2.40
20. Rajasthan	Jaipur	342,239	44,005,990	5.20
21. Sikkim	Gangtok	7,096	406,457	0.05
22. Tamil Nadu	Madras	130,058	55,858,946	6.60
23. Tripura	Agartala	10,486	2,757,205	0.33
24. Uttar Pradesh	Lucknow	294,411	139,112,287	16.44
25. West Bengal	Calcutta	88,752	68,077,965	8.04
Union Territories	Headquarters			
1. Andaman & Nicobar Islands	Port Blair	8,249	280,661	0.03
2. Chandigarh	Chandigarh	114	642,015	0.08
3. Dadra & Nagar Haveli	Silvassa	491	138,477	0.02
4. Daman & Diu	Daman	112	101,586	0.01
5. Lakshadweep	Kavaratti	32	51,707	0.01
6. Pondicherry	Pondicherry	492	807,785	0.09
7. Delhi	Delhi	1,483	9,420,614	1.11

\* Srinagar (Summer Capital), Jammu (Winter Capital).

Uttar Pradesh, Bihar and Madhya Pradesh account for 31.2 per cent or more than one-third of the total population of India.  
/ Projected.

@ The total area of the country represents provisional geographical area as on 31st March 1982, supplied by the Survey of India. The area includes 78,114 sq km under illegal occupation of Pakistan, 5,180 sq km illegally handed over by Pakistan to China and 37,555 sq km under illegal occupation of China.

\*\*The 1991 Census has not yet been conducted in Jammu & Kashmir. The figures are as per projections prepared by the Standing Committee of Experts on Population Projections, October, 1989.

## Below the poverty line

### Number and Percentage of Population below the Poverty line by States

State	1983-84		1987-88	
	(Lakh)	Population Per cent	(Lakh)	Population Per cent
1	2	3	4	5
1. Andhra Pradesh	205.1	36.4	195.7	31.7
2. Assam	49.8	23.5	52.9	22.8
3. Bihar	365.5	49.5	336.4	40.8
4. Gujarat	87.6	24.3	73.3	18.4
5. Haryana	27.7	15.6	18.2	11.6
6. Himachal Pradesh	6.1	13.5	4.5	9.2
7. Jammu & Kashmir	10.3	16.3	9.8	13.9
8. Karnataka	137.6	35.0	136.5	32.1
9. Kerala	71.5	26.8	49.0	17.0
10. Madhya Pradesh	254.9	46.2	224.9	36.7
11. Maharashtra	232.0	34.9	214.1	29.2
12. Manipur	1.9	12.3	◆	◆
13. Meghalaya	4.0	28.0	◆	◆
14. Orissa	118.1	42.8	135.1	44.7
15. Punjab	24.4	13.8	13.9	7.2
16. Rajasthan	126.2	34.3	99.5	24.4
17. Tamil Nadu	200.2	39.6	176.9	32.8
18. Tripura	5.1	23.0	◆	◆
19. Uttar Pradesh	530.6	45.3	448.3	35.1
20. West Bengal	255.1	39.2	173.5	27.6
21. Small states & UTs	32.3	27.1	14.2	7.7
All India	2710.0	37.4	2376.7	29.9

◆ Included in small States/UTs Source: Planning Commission

## India

India contains one-sixth of humanity and is the largest democracy in the world. Its current population growth rate is likely to take it past China in the next forty years, making it the most populous country on earth.

In many ways, India's direction was shaped at the time of its independence by its own peculiar circumstances. Since many religions coexisted in India, it opted for a secular state. Since many disparate ethnic and regional groups had to be welded into a coherent nation and since the legacy of the Westminster-style of government was still fresh, adoption of a parliamentary system seemed quite natural. Since poverty was widespread and alleviation of poverty through state action was a popular demand, the founding fathers of the newly independent Indian nation experimented with socialism as their economic manifesto. Unfortunately, this became a symbol more of state intervention than of distributive justice.

Much to its credit, India has evolved, over time, a functioning system of democratic governance, where power is transferred at regular intervals through elections based on adult franchise. It is still debatable as to what extent ordinary people exercise real power in such a system, dominated as it is by various political and economic power structures. Some efforts have, however, been made at engineering a few fairly basic reforms. Land reforms (with a ceiling of 7 to 10 hectares per family for land-ownership) have succeeded in containing excessive concentrations of agricultural land. Affirmative action by the state has given more opportunities to the downtrodden scheduled castes. The institutions of the judiciary, the press, and the bureaucracy are as strong as any in the advanced countries, and their independence is jealously guarded. The army is completely under civilian control. A system of widespread local participation has been established by reviving the *panchayat* system, in which one-third of the seats (over 800,000) have been reserved for women, thus providing them with a very large political platform from which future leadership can emerge.

On the economic front, India has done quite well in recent years by achieving a high GNP growth rate of over 5 per cent a year. It has begun to open up its economy and to rid itself of the cumbersome, stifling pyramid of

regulations built up over the course of the previous five decades. Alongside the revival of domestic investment, private foreign investment is beginning to flow in. But there are serious questions about the impact of recent GNP growth on the lives of the people and a popular demand to give a more 'human face' to the experiment with economic liberalization.

One of the primary reasons why economic growth has not had an impact on the lives of ordinary people is the current state of India's backwardness in human development. The extent of human deprivation is staggering: 135 million people have no access to basic health facilities; 226 million lack access to safe drinking water; about half of India's adult population is illiterate; and about 70 per cent of its people lack basic sanitation facilities. The stark fact is that India has the largest illiterate population in the world: it has almost 2.5 times more illiterate people than the whole of Sub-Saharan Africa. Nearly one-third of the total number of absolute poor in the world live in India. What is more distressing is that while 46 per cent of India's people survive in absolute poverty, with an income of less than one US dollar a day, about two-thirds are 'capability-poor'—i.e., they do not receive the minimum level of education and health care necessary for functioning human capabilities. On the Human Development Index, India ranks 135 out of 174 nations.

Children and women bear the brunt of human deprivation in India. About 62 million children under the age of five are malnourished. Nearly one-third of the children below 16 are forced into child labour. As many as 88 per cent of pregnant women aged 15–49 suffer from anaemia. Over two-thirds of the female adult population is illiterate. India has been trying to tackle this issue by implementing the world's largest Integrated Child Development Services programme, covering over 15 million children and 3 million pregnant mothers, with a package of health, nutrition, and education services.

Unemployment is becoming a serious problem in India, though accurate estimates are difficult to obtain. About 7 million people are added to the labour force every year, and they are increasingly educated. But economic growth is not creating enough jobs.

According to the 1996 *Human Development Report*, India's employment expanded

*There is a popular demand to give a more 'human face to the experiment with economic liberalization in India*

by only 2 per cent a year during the 1980s, compared to a labour force growth rate of nearly 3 per cent a year, thereby leading to a further increase in both unemployment and underemployment, despite a rising GNP growth rate. Job-creation is an essential strategy for linking economic growth to human lives. 'Jobless growth' of the type witnessed recently in India—and in many other countries—leaves a majority of the population unaffected by, and dissatisfied with, the forces of economic growth.

One of the principal ways of linking economic growth and human lives is to invest liberally in the education and health of the people. Such investment is quite limited in India at present—only \$14 a person per annum, compared to \$160 in the Republic of Korea. Wherever India has made adequate investment in the education and skill-training of its people and in strengthening its human capital, the strategy has paid rich dividends. For example, India has already emerged as the second largest exporter of computer software as a result of extensive investment in skill formation in Bangalore, which has fast become India's own 'Silicon Valley'. In fact, India enjoys the great advantage of possessing a rich tradition of scientific and technological research, a large reservoir of low-paid hard-working people, the largest middle class in the world, and functioning democratic institutions. Its take-off desperately requires a massive investment in human development.

Of course, India is such a large country that national averages can be quite misleading. In fact, each state in India has a greater population than most developing countries.

Table 2.3 Literacy profile in rural India by income and social groups

	Adult literacy rate (%)
Income groups (household income per year)	
Up to Rs 20,000	45
Above Rs 62,000	72
Social groups	
Hindus	Male 72
	Female 45
Muslims	Male 55
	Female 46
Scheduled castes	Male 53
	Female 28

Source: NCAER 1996.

The human development situation varies a great deal from one state to another. It is often useful to analyse the Indian situation in a more disaggregated manner. This has now become possible because of a recent UNDP-financed Human Development Indicators Survey, conducted by the National Commission for Advanced Economic Research (NCAER). Some of the findings of this survey are given in tables 2.2 and 2.3.

These tables bring out the tremendous diversity of human development profiles in various Indian states. For instance, Punjab enjoys a per capita income twice as high as that of West Bengal. While only 27 per cent of the population survives below the absolute poverty line in Haryana, the percentage of absolute poor in Orissa is 55. The adult literacy rate in India varies from 41 per cent in Rajasthan to 90 per cent in Kerala, which makes the national average of 54 per cent not very revealing. The literacy profile also varies a great deal by income and social groups. The poorer households, with an annual income level below Rs 20,000, have a literacy rate of only 45 per cent, compared to 72 per cent for households with an annual income level of Rs 62,000. Among the male population, Hindus enjoy a literacy rate of 72 per cent, while the rate is only 53 per cent for scheduled castes, and 55 per cent for Muslims. To

## There is a tremendous diversity in human development levels across Indian states

Table 2.2 Poverty and literacy profile of Indian states (rural areas)

State	Per capita income (Rs per annum)	Persons below absolute poverty line (%)	Literacy rate, age 7+ (%)
Punjab	6,380	32	60
Haryana	6,368	27	55
Kerala	5,778	30	90
Maharashtra	5,525	34	58
Gujarat	5,288	39	59
Andhra Pradesh	5,046	21	50
Rajasthan	4,229	46	41
Uttar Pradesh	4,185	46	47
Himachal Pradesh	4,168	45	68
Bihar	3,691	42	44
West Bengal	3,157	51	59
Orissa	3,028	55	55
Average for rural India	4,485	39	54

Source: NCAER 1996.

## Human Development Balance Sheet

INDIA

Human Distress

### Human Advance

#### Education

- The adult literacy rate increased from 34% to 51% between 1970 and 1993.
- Gross primary enrolment rose to almost universal coverage.
- Public expenditure on education (as % of GNP) increased by 61% between 1970 and 1993.

- 291 million adults are still illiterate.
- 45 million children were out of primary schools in 1995.
- There are only 0.3 scientists and technicians per 1,000 people.

#### Health

- The crude death rate has been halved from 21 per 1,000 in 1960 to 10 in 1994.
- Public expenditure on health increased by more than two and a half times between 1960 and 1990.

- 135 million people are denied access to primary health care, 226 million are without safe drinking water, and 640 million have to make do without basic sanitation facilities.
- 88% of all pregnant women aged between 15 and 49 suffer from anaemia.

#### Food and Nutrition

- Per capita food production increased by 23% between 1980 and 1993.

- There are 62 million malnourished children under the age of five.

#### Demographic Balance

- The contraception prevalence rate among married women increased more than three times, from 12% in 1970 to 43% during 1986-93.

- In mega-cities like Bombay, 57% of the population lives in slums.

#### Children

- The infant mortality rate has been cut down by half in the last three decades.

- Nearly one-third of children under 16 are forced into child labour.

#### Women

- Female enrolment in primary schools has risen dramatically—from 56% in 1970 to 90% in 1992.

- In low income families in rural Punjab, 7 times more girls (21%) suffer from malnutrition than boys (3%).

#### Poverty and Income

- The average real GDP per capita (in PPP \$) doubled, despite a doubling of the population in the last three decades.

- 44% of the total population lives in absolute poverty.
- Nearly one-third of the world's poor live in India.

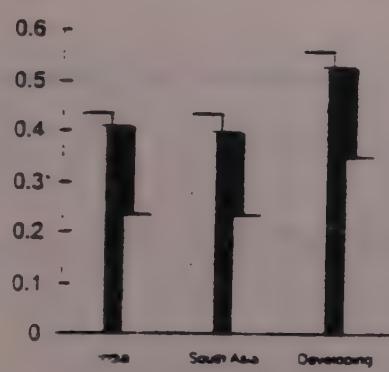
#### Military Burden

- India spends 50% more on education and health compared to its expenditure on defence.

- India was ranked first in arms imports but 147 in per capita income between 1988 and 1992.

## INDIA

Population	902 million
Land area(1,000)	3,288 sq. kms
GDP (1993)	US\$ 225.4 billion
HDI rank (among 174 countries)	135
HDI value (on a scale from zero to one)	0.436
GDI value	0.410
GEM value	0.235



## HUMAN DEVELOPMENT

	Year	Value
Life expectancy (years)	1993	61
Access to health (%)	1993	85
Access to safe water (%)	1993	75
Access to sanitation (%)	1995	29
Daily calorie supply (as % of requirement)	1992	113
Adult literacy (% 15+)	1993	51
Combined enrolment ratio (%)	1993	55
GNP per capita (US\$)	1993	300
Real GDP per capita (PPPS)	1993	1,240

## LIFE EXPECTANCY AND HEALTH

Life expectancy (years)	1960/1993
Fertility rate	1960/1993
Crude birth rate	1960/1994
Crude death rate	1960/1994
Total population (million)	1960/1993
Annual growth rate	1960-70/1980-90
Contraceptive prevalence rate	1970/1993

	Earlier year	Latest year
Life expectancy (years)	44	61
Fertility rate	6.0	3.7
Crude birth rate	43	29
Crude death rate	21	10
Total population (million)	442	902
Annual growth rate	2.3	2.1
Contraceptive prevalence rate	12	43
Infant mortality rate	1960/1994	165
Maternal mortality rate	1970/1993	n/a
Under-five mortality rate	1960/1994	282
Infants ( $\leq 1$ ) immunized against tuberculosis (%)	1980/1994	14
Infants ( $\leq 1$ ) immunized against measles (%)	1980/1994	1
Access to health services (%)	1980/1993	75
Access to safe water (%)	1970/1993	33
Access to sanitation (%)	1980/1995	8
Births attended by health personnel (%)	1983-94	n/a
Population per doctor	1976/1988-91	3,140
Population per nurse	1960/1988-91	9,610
Low-birth-weight babies (%)	1990	n/a
Malnourished children (%)	1993	n/a
Daily calorie supply (as % of requirement)	1992	n/a
Food import dependency ratio	1970/1990	2.8

## EDUCATION

Adult literacy (% 15+)	1970/1993
Mean years of schooling (25+)	1980/1992
R&D scientists/technicians (per 1,000)	1988-92
Primary enrolment ratio	1970/1993
Primary drop-out (%)	1980/1993
Secondary enrolment ratio	1970/1993
Tertiary enrolment ratio	1970/1990
Combined primary, secondary, and tertiary enrolment	1980/1993
Public expenditure on education (% of GNP)	1960/1992

	Earlier year	Latest year
Adult literacy (% 15+)	34	51
Mean years of schooling (25+)	2.2	2.4
R&D scientists/technicians (per 1,000)	n/a	0.3
Primary enrolment ratio	73	102
Primary drop-out (%)	62	34
Secondary enrolment ratio	26	44
Tertiary enrolment ratio	n/a	9.3
Combined primary, secondary, and tertiary enrolment	40	55
Public expenditure on education (% of GNP)	2.3	3.7

## HUMAN DEPRIVATION

	Year	(%)
Illiterate adults	1993	49
Illiterate female adults	1993	64
People below poverty line	1993	46
Without access to health services	1993	15
Without access to safe water	1993	25
Without access to sanitation	1993	71
Under-five mortality rate	1994	119
Malnourished children (<5)	1993	53

## International comparisons, latest year

	India	South Asia	Developing countries	Industrial count
Life expectancy (years)	61	61	62	74
Adult literacy (% 15+)	51	48	69	98
Years of schooling	2.4	2.4	3.9	n/a
Combined enrolment ratio	55	52	55	82
Under-five mortality rate	119	120	101	18
GNP per capita (US\$)	300	309	970	16,394
Real GDP per capita (PPPS)	1,240	1,370	2,696	15,136
Educ. expend. (as % of GNP)	3.7	3.4	3.9	5
Health expend. (as % of GNP)	1.3	1.4	2.0	n/a
Mil. expend. (as % of GDP)	3.6	3.8	4.4	3
Mil./social spending ratio	65	72	60	33

## INCOME

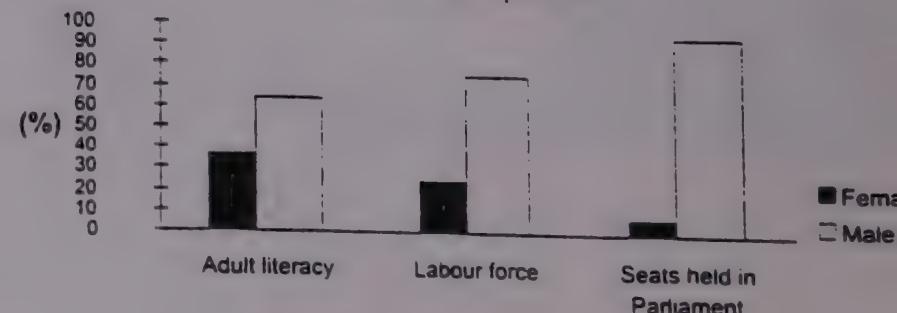
		Earlier year	Latest year
Labour force (% of population)	1994	n/a	61
Labour force in agriculture (%)	1960/1992	74	62
Labour force in industry (%)	1960/1992	11	11
Labour force in services (%)	1960/1992	15	27
People below poverty line (%)	1993	48	46
Top 20% to lowest 20% ratio	1993	8.2	4.7
Real GDP per capita (PPPS)	1960/1993	617	1,240
GNP per capita (US\$)	1970-75/1993	180	300
GNP annual growth rate	1980-93	n/a	5.0
Annual rate of inflation	1980-93/1993	8.7	8.1
Total ODA (US\$ million)	1980/1994	147	2,324
ODA (as % of GNP)	1993	n/a	0.9
Total debt (as % of GNP)	1993	n/a	35
Debt service (as % of exports)	1970/1993	22	28
Terms of trade (1980 = 100)	1993	n/a	96
Current account balance (US\$ million)	1978/1993	684	-685
Education expenditure (as % of GNP)	1960/1993	2.3	3.7
Health expenditure (as % of GNP)	1960/1990	0.5	1.3
Military expenditure (as % of GNP)	1985/1994	2.6	3.6
Ratio of military expenditure to education and health	1985/1994	68	65

## GENDER DISPARITIES

(100=Parity)

		Female/Male	
Life expectancy	1993	100	61/6
Adult literacy	1993	56	36/64
Years of schooling	1993	34	1.2/3.5
Primary enrolment	1992	81	91/113
Combined enrolment	1993	73	46/63
Labour force	1993	47	32/68
Earned income share	1992	33	25/75
Economic activity rate	1994	34	28/82
Admin. and managers	1992	2	2/98
Share in Parliament	1996	8	7/93

## Gender Disparities



# Political India over fifty years

India in the golden jubilee year of its independence is passing through

N. RAM

INDIA is one of the most politicised societies in the world: this is as true today, fifty years after Independence, as it was in 1947. The degradation of democratic institutions and frustrations over the failure to solve the problems of mass poverty, socio-economic deprivation on a gigantic scale, various forms of entrenched backwardness, notably illiteracy, communalism, pervasive corruption and criminalisation of politics might have led to cynicism from time to time.

This decline and the frustrations surely have something to do with the volatility that has been a defining feature of Indian politics since the mid-1960s. But they have failed to generate a long-term trend of de-politicisation. This is evidenced by the relatively high rates of participation of urban as well as rural Indians, men as well as women, in political activity in general and elections in particular.

Sustained politicisation must be

recognised as one of the basic strengths of the Indian experience, a function of its democratisation over half a century of Independence. People take their political rights and choice seriously. This is an advantage that India has over several countries which are more developed in several respects, more educated at the base level, and far more prosperous. The fact that, for all its weaknesses, the system that took shape in the post-1947 period seems to be endowed with a certain bottomline of institutional sustainability, if not stability, is a double advantage.

Nevertheless, recent political events have underlined the fact that India in the golden jubilee year of its Independence is passing through a time of painful transition. The question is — to what? This question cannot be answered without reference to the striking range of conflicts and pressures, some of them apparently malignant, which have over an extended period pulled against the fabric of nationhood, the social order and political stability. These are, of course, inter-related.

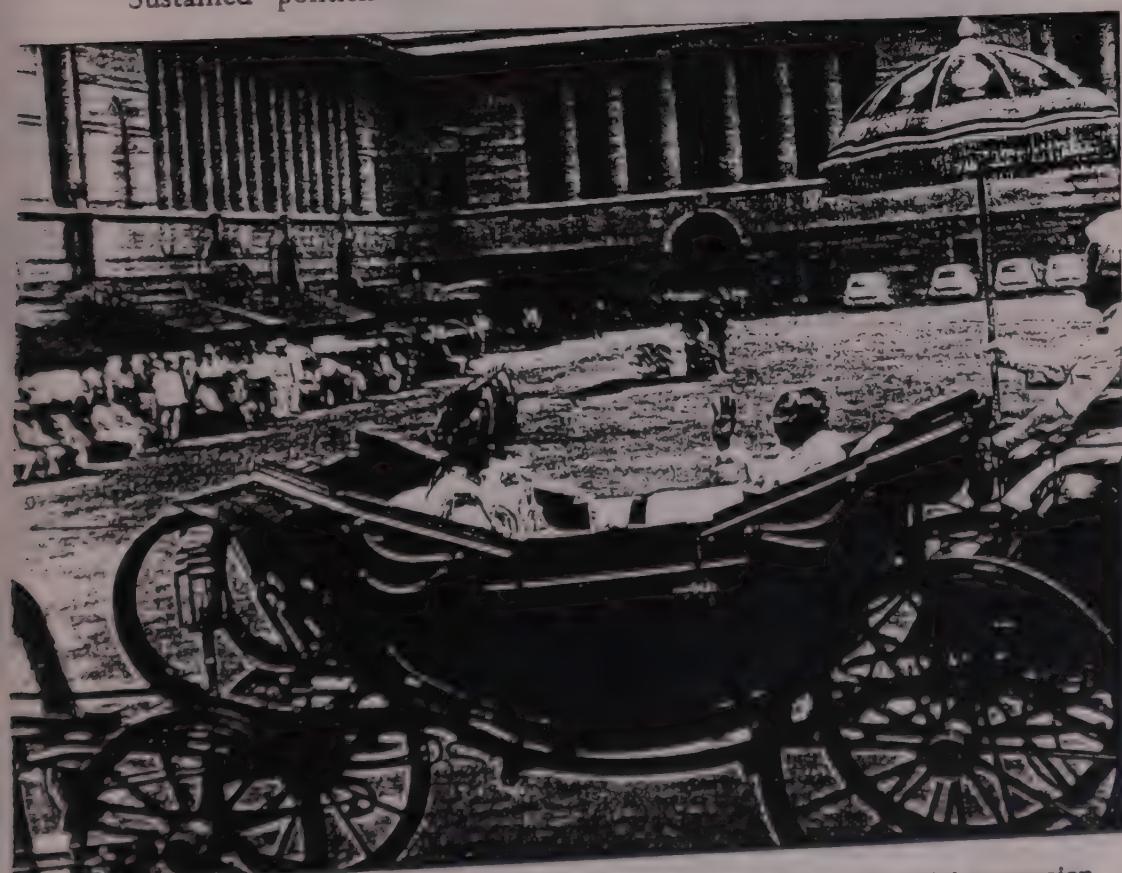
a time of painful transition



N. SRINIVASAN

To characterise the recent and current socio-political situation as unstable and volatile is to call attention to the obvious. In addition to having to face the implications of a massive denial of socio-economic justice, in a system that is (as the distinguished economist Amartya Sen, implies in his contribution to this Special Issue) one of the most iniquitous in the world, India has had to bear the burden of a national agenda of unwanted social, ethnic, communal and caste antagonisms and divisive issues shaped by the 1970s and 1980s. In consequence, these decades saw beneath the appearance

9



President K.R. Narayanan arrives at Rashtrapati Bhavan in a ceremonial procession after being sworn in, July 25, 1997.



10

**Queues at polling booths, 1996.** Sustained politicisation must be recognised as one of the basic strengths of the Indian experience, a function of its democratisation over half a century of Independence.

of strong governance the decay of a political system and the disestablishment of several democratic institutions.

CAN India hold together in the next decade? Can our civil society and social order come out of the woods? Can we count on a reasonable bottomline of political stability and coherence in our system? These inter-related questions define the nature of the challenge when we speak about national integration and

political stability, both desirable goals or objectives.

The question of who rules and will rule in Delhi is an important question, but there are more basic questions. The unity of India and the integrity of its democratic, secular institutions have, during the second half of these fifty years of Independence, come under intense pressure from at least four types of socio-political phenomena.

The first is the problem of separatism

or secessionism allied with religious fundamentalism or other extremist ideological and social tendencies and committed to militarised or terrorist methods. This ideologically, socially and politically determined problem has brought civil society in the affected States or areas to its knees. The pressure exerted by this phenomenon has waxed and waned over the five decades, sometimes increasing oppressively in response to political authoritarianism, over-centralisation and

opportunism.

The second is the phenomenon of politically organised, militant communalism which has been on the march, taking a very high toll and threatening the integrity and basic character of the polity. This phenomenon is expressed in a variety of religious fundamentalist responses, but most menacingly on the national stage by the quite successful building up of the 'Hindutva' or 'Hindu Rashtra' platform by aggressive Hindu chauvinists, the saffron brigade, since the mid-1980s.

The third is related to the deeply damaging features of, and the pressure and social strife that have built around, the caste system. Although not unchanging, this system, which is bolstered by landlordism and seeped in semi-feudal values and ideas of a most retrograde kind, continues to have a malignant durability. It exemplifies social oppression, inequality and injustice in a way that cannot be escaped. The widespread demand for 'social justice' and the social divisions and strife that seem, at times, to overwhelm the democratic polity arise from this situation.

The fourth issue that cannot be escaped relates to the working of 'cooperative federalism', and more specifically Centre-State relations, on which both national unity and political stability depend vitally in a political sense.

If India is to do well in the interme-

diate future, these challenges have to be responded to in a much more imaginative way than we have witnessed over the past decade and a half.

FOR most of the fifty years, India has been ruled by one party, the Congress, by virtue first of its leadership role in the freedom struggle and, secondly, because of the absence of coherent alternatives at the all-India level. But that political hegemony, seriously challenged and eroded as early as 1967, came to a decisive end in the late-1980s and we are into a new chapter.

The last three general elections (1989, 1991 and 1996) have underlined the fact that the Indian polity is divided three ways, making a majority government virtually impossible and dictating, for now and the foreseeable future, coalition arrangements involving some common positions and approaches but much discord and expediency. The three political 'formations' or groupings which may be identified as the national level players are: the Congress and its (mostly minor) allies; the BJP and its Maharashtra-based ally, the Shiv Sena, plus a small emerging new group of regional players such as the Akali Dal and the Samata Party; and the ideologically and politically disparate but interesting United Front. Any Central government must, of necessity, come from one, or a combination, of these broad 'formations'.

The recent track record suggests that none of the three groupings can come within striking distance of winning a simple majority of the 540-plus Lok Sabha seats. Since various developments have indicated that the twelfth general election cannot be too far away, the real contest will be about emerging, first, as the single largest formation so as to be able to dictate terms for a coalition arrangement at the Centre. Who will be able to lead such a government and what precisely will be the weightage given to various constituents cannot be predicted at this point. Some surprises may well be in store, but the general view in the polity appears to be that the Hindu communal formation has gained ground, raising the question: will it be able to close the gap next time?

WHAT has brought about this situation? In order to begin to answer this question, we need to examine certain key, long-term trends in Indian politics.

The most important of these trends is the historic decline of the Congress, the party of traditional dominance in the system, in terms of popular support, vote share and governing skills. This process seems far gone and is probably irreversible.

There has been a good deal of press commentary and analysis on the theme of the Congress(I)'s decline and fall. From time to time, political commentators have



Bharatiya Janata Party president L.K. Advani's rath yatra from Somnath to Ayodhya (September-October 1990). When the V.P. Singh Government put an end to the yatra, the BJP withdrew support to the National Front Government. The break with the BJP helped free the "third force" from the idea that the path of its advance lay in collaboration with Hindu communalism.



Dalit victims of caste-related violence in Bihar. The caste system, which is bolstered by landlordism and seeped in semi-feudal values and ideas of a most retrograde kind, continues to have a malignant durability.

tended to write it off, so that the party can remark, with Mark Twain, that "the report of my death was an exaggeration." While it is nothing without its factionalism and infeuding, a measure of glue extracted from the habit of holding power seems to make it go on against the odds. The returnability of the Congress is a function not of any vision or leadership, but of historical familiarity, of simply being around for a long time in every part of a vast and mixed-up country.

The Congress(I) is still the only party in the system which is truly trans-regional, which has a presence on the ground in every part of the country. Its resilience and capacity to cling to power or to stage comebacks are not to be underestimated. There are certain signs that under the stewardship of Sitaram Kesri, it has been able to achieve a kind of organisational resurgence, or at least functionality, which places it in a position of advantage relative to the United Front and the minority Government it offers the polity.

Nevertheless, what stands out is the

massive political space the Congress has vacated over the past decade or more. From the time of Independence, popular support for this party has declined by some 15 percentage points at the all-India level, with the erosion being significantly higher in key States such as Uttar Pradesh, Bihar and Tamil Nadu.

Congress leaders and manifestos have traditionally equated their party's rule with the idea of political stability and identified the Opposition with uncertainty and instability. Aside from valuing 'stability' for its own sake, that is, independent of the content it has to offer, such assertions embody merely half the truth. It is the big decline of the party of traditional dominance combined with the inability of coherent democratic alternatives to occupy the space vacated — on the basis of a minimum programme speaking to real issues — which explains the phenomenon of political instability in India.

The volatility of the Indian electoral arena is well recognised by psephologists,

political scientists and serious journalist analysts. Substantial swings over relatively short periods, combining with changes in the split factor, help to overthrow incumbents or, in some instances, to moderate and balance the electoral change. Without the prevalence of the 'first past the post' system of elections, which entrenches disproportionality and confers undue advantage on those above a certain threshold, the hopes single parties nurse of winning stability outside a coalition framework would be impossible to sustain in most cases.

The actual decline of the Congress system of governance over the long term is much greater than is generally realised. In terms of share of the popular vote, the decline is from a level of 46 per cent (until and excluding 1967) to an average of 42 per cent (from 1967 to 1984) to 39.5 per cent in 1989. The share slipped further to 36.5 per cent in 1991, when a powerful sympathy factor following the assassination of Rajiv Gandhi boosted the figure for the second stage of a split con-

and to 29.7 per cent in 1996. Another feature of this decline is the fall of the ruling party at the State level: its position in State Assemblies is very much worse than its position in the Lok Sabha. Of the seven large States, that is, those with more than 35 Lok Sabha seats (Uttar Pradesh, Bihar, Maharashtra, West Bengal, Andhra Pradesh, Madhya Pradesh and Tamil Nadu), which make up a total of 350 or nearly two-thirds of the House, the party is in power only in Madhya Pradesh. Its chances of bidding for power in the conceivable future in most of these States — Uttar Pradesh, Bihar, West Bengal and Tamil Nadu — are virtually non-existent. Of the five medium sized States, that is, those with 15 to 30 Lok Sabha seats (Karnataka, Gujarat, Rajasthan, Kerala and Orissa), the party is in power only in the last. It suffered an upset in the smaller north-western States (Punjab, Haryana and Jammu and Kashmir) where it shows few signs of recovery. It is solely in the small States of the northeastern region that the Congress is in a position of some advantage. All this has a major implication for the practice of federalism in India.

THE second major trend in the polity has been the relative success of the forces of Hindu fundamentalism, or communalism, in a populous part of the coun-

try. It is they, and not the secular alternatives, that have made an aggressive and effective play for the space vacated in these vital arenas of northern and western India by the Congress. In quantitative terms, the defining fact is this: between 1984 and 1991, the BJP as a party climbed, in two steep steps, from a one-fourteenth share to a fifth share of the national popular vote. Now, with its allies, it seems to be perched at a one-fourth share. Any further climb towards the strategic one-third mark could bring the BJP and its allies dangerously close to power at the Centre.

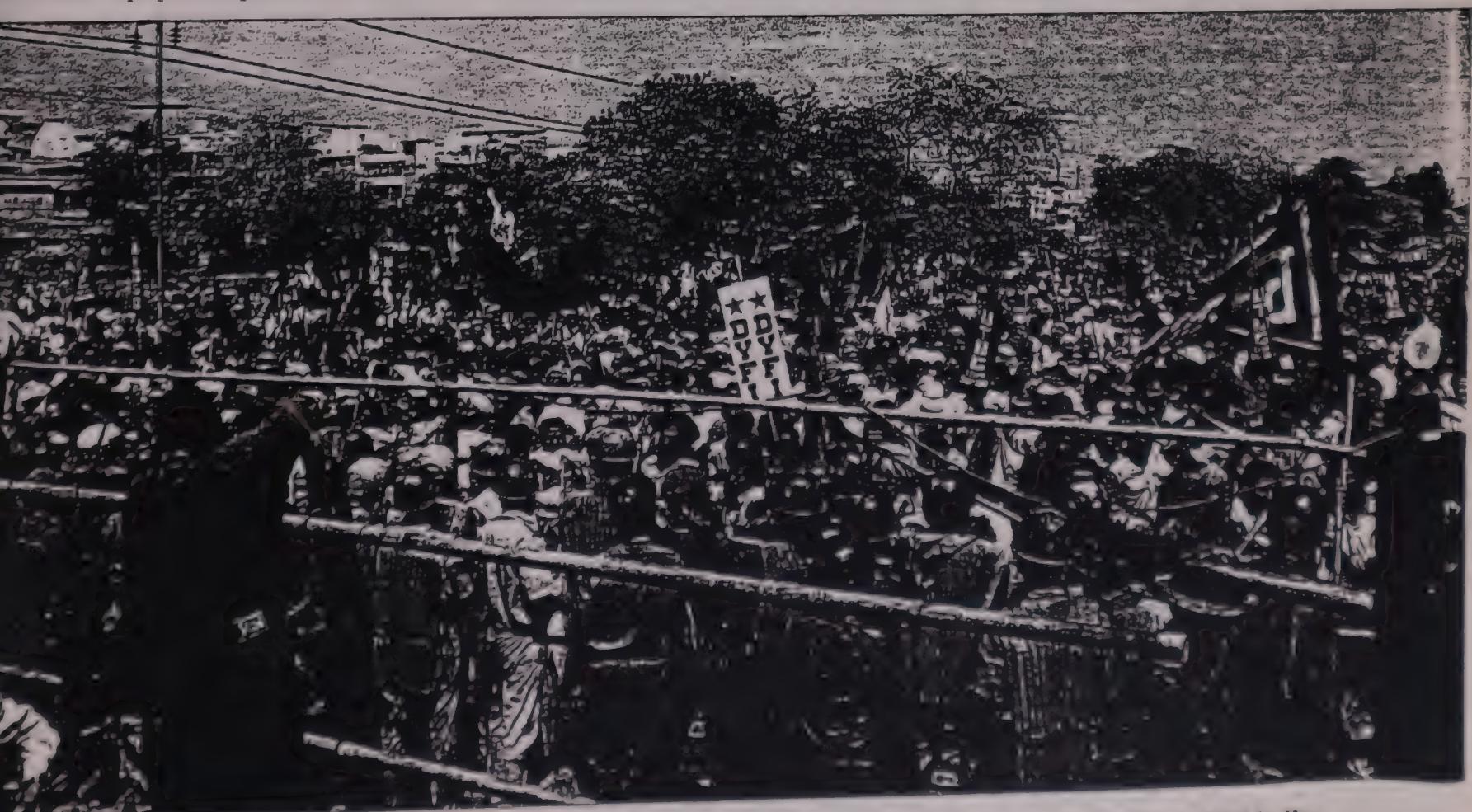
The high performance States for the BJP are Uttar Pradesh, Gujarat, Rajasthan, Madhya Pradesh, Himachal Pradesh and, in alliance with the Shiv Sena, Maharashtra. In all these States of the Hindi heartland and western India, the party of Hindutva is an effective bidder for power. Its most spectacular growth has come in India's most populous State, where its share of the popular vote climbed from less than one-tenth in 1984-85 to one-third in 1991-93; and in Gujarat, where it rose from less than one-fifth in the 1984 Lok Sabha contest to over half in 1991. The State where it has achieved the highest growth from a very low base is Karnataka, where it polled 28.8 per cent of the popular vote in the 1991 Lok Sabha election (compared with 2.6 per cent in 1989). The areas of mod-

erate or moderate-plus growth include Orissa and Bihar, where the BJP is still not a real contender for power.

However, certain factors clearly work against the BJP and its ambitious project of expansionism. A look at the electoral map of India suggests that there are, as of now, some 250 Lok Sabha constituencies where the BJP is not in serious electoral contention. This geographical limitation or containment is a major weakness for a party which is determined to supplant the Congress at the Centre. By this token, the BJP and its allies can be said to be only half an all-India formation as of the present.

Further, experience teaches that the BJP in government tends to let its mandate erode quicker than the Congress and the regional parties of the United Front, not to mention the Left fronts that are in power in West Bengal, Kerala and Tripura. There is, in fact, some basis to surmise that a term for the BJP in office approximates half a term. Extremism in course and lacklustre policy-making and administrative performance cause disillusion among the people.

This was certainly in evidence in Madhya Pradesh and Himachal Pradesh between 1990 and 1993. In Gujarat, it suffered a demoralising split. In Maharashtra, where it has been playing second fiddle to the Shiv Sena, its spirits



A large-scale Left rally in New Delhi on April 5, 1994, to protest against the Dunkel Draft. Although the Left's weight in the national polity has not increased much in post-Independence India, it has been in a position to play a role of qualitative importance in national politics owing to, among other things, its clean image, its stand on national issues and its mass



Leaders of the constituent parties at a meeting of the United Front's Core Committee, July 17, 1997.

have flagged in recent months on account of policy contradictions and socio-political developments, and it could be in decline. In the BJP's chosen battleground, Uttar Pradesh, spirited democratic resistance to its virulent communal politics and to the Ayodhya act of barbarism has also sent out the signal to the people that the Hindutva party can be effectively countered by a united secular and democratic combination. However, if the secular and democratic forces fail to close ranks, the likelihood is that the BJP can set the terms in India's most populous State.

The BJP's claim to be different from other parties has been dented by unsavoury developments in several States, by rank opportunism in the alliance politics pursued, and by the involvement of some of its leaders in corruption scandals, notably in the Jain hawala affair.

In general, it may be observed that, since the BJP is a geographically limited party with no significant presence in the South (outside Karnataka), in the East and in the North-East, those who live outside its zones of strength tend to underestimate it while those who live in its stronghold States, including Delhi, tend to overestimate it. The task of serious political analysis is to do neither.

In historical order of precedence, the United Front (U.F.) arrangement, and the National Front (N.F.) experiment that preceded and paved the way for it, must be placed after the Congress and the BJP. The N.F. phenomenon arose essentially as a response to the decline of the Congress and, to an extent, as a response to the BJP's activism and expan-

sionism during the second half of the 1980s. Whereas the Janata Party coalition that was able to defeat the Emergency regime in the 1977 general election was a crystallisation, under extreme circumstances, of the idea of all-in Opposition unity (inclusive of the communal Jan Sangh and the Rashtriya Swayamsevak Sangh or RSS) against the Congress, the National Front that took shape in 1988-89 represented a measure of differentiation in that it aspired to be anti-Congress as well as non-BJP.

However, 'pragmatism' (another name for political opportunism) dictated the J.D. and N.F. strategy of extensive seat adjustment with the party of Hindutva to unseat the Congress. The N.F. cannot claim to have made this decision in innocence. It bears critical emphasis that the line was worked out at a stage when the BJP had already launched its project of mobilising aggressively on the Ram Janmabhoomi issue – targeting the Babri Masjid and Muslims in general. It was no surprise that the N.F.'s minority Government headed by V.P. Singh had to depend directly on the BJP, from start to finish, for its survival.

N.F. apologists might argue even today that the 'tactical' course was correct, since there was no other way the unpopular and corrupt Congress(I) could have been dislodged, at that juncture, from power. However, there can be little doubt that it was the BJP and not the J.D. and N.F. which gained from this experiment in expedient and uneasy cohabitation. While the BJP's core held firm and toughened itself through a rath yatra, the J.D. suffered from internal

splintering as well as the erosion of small to moderate bases in several electoral arenas where it had hoped to advance and score.

Generally speaking, those within the N.F. who took a firm line against both the BJP and the Congress(I) did well at the popular level. On the other hand, those who dithered, soft-pedalled or stood for a line of compromise have fared poorly since the N.F. Government fell in 1990.

In retrospect, the BJP's decision to withdraw support to the V. P. Singh Government on account of the latter's putting an end to the rath yatra can be recognised as the best thing that happened to the N.F. from its moment of birth. By breaking free of the BJP's clutches, the secular and democratic character of the J.D. and the N.F. seemed redeemed. Secondly, the break helped to free the 'third formation', such as it was during an extended period of disarray, from any illusion that the path of advance lay in collaboration with Hindu communalism.

The 'third force' has progressed from the N.F. to the U.F., entailing changes in composition and character and responding to a new context. The N.F. was basically the Janata Dal plus two or three regional parties, neither more nor less. It was in alliance with the Left, the stable factor in the equation, which supported it wholly from outside. The U.F. seeks to be a more representative and inclusive coalition. In this altered equation, the weight of regional parties including those like Mulayam Singh Yadav's Samajwadi Party (S.P.), which ar-



**Four ex-Prime Ministers: A.B. Vajpayee, P.V. Narasimha Rao, Chandra Shekhar and V.P. Singh at the swearing-in of H.D. Deve Gowda as Prime Minister, June 1, 1996.**

offshoots of the Janata Dal and do not label themselves regional parties, has increased significantly. Further, the Left is now part of the coalition, although, as far as the leading Left party, the CPI(M), is concerned, not of the Government. Most important, the U.F. as a minority Government is dependent on the Congress(I) for survival. This dependence, unavoidable if there is to be any Government in New Delhi, is its defining weakness.

The second U.F. Government, headed by Inder Kumar Gujral, has demonstrated contradictions, vacillations and backbonelessness on several issues of policy importance. Its leader appears to be too bent on survival to do well among the people on major political and socio-economic issues. From the start, it has seemed incapable of taking any kind of principled stand against anyone accused

of corruption and malfeasance in office, notably erstwhile Bihar Chief Minister and Janata Dal president Laloo Prasad Yadav.

The U.F. has suffered from other weaknesses. On economic policy questions, it seems quite divided and the Government seems incapable of any coherent thinking, let alone action. Most of the promises contained in the Common Minimum Programme (CMP) remain unmet. And relations between some U.F. constituents are in poor shape. It seems guaranteed that in the months ahead, the Congress(I) will seek to impose toughened terms on a practically lame-duck U.F. Government, in return for unreliable support.

Quantitatively, the Left is the smallest of the forces or alignments being discussed here. Its weight in the national polity has not increased much over the

fifty years of Independence. However, given its stable core and bases, its clean image, its spirited championing of secularism, national unity and federalism, the fight it has put up on economic policies, its mass campaigns in various States on class and policy issues, and its clarity and vision of the future, it has been in a position to play a role of qualitative importance in national politics.

THE third force must stand or fall by the quality and effectiveness of the stand it takes on the major issues that have come to the fore in the Indian political arena fifty years after Independence. These issues are:

1. political corruption on an unimaginable scale, combining with the criminalisation of politics;
2. the set of issues raised by the post-1991 economic policies;
3. the challenge to national unity posed by communalism as a political mobilisation strategy;
4. the threat of separatist movements backed, to some extent, from abroad;
5. the challenge of social justice;
6. the need for federalism and State autonomy;
7. the need to do well in the areas of basic education, public health and meeting basic needs of the masses of the people; and
8. external pressures on India's foreign policy.

This list is not exhaustive but indicates what needs to be tackled if India is to do significantly better in the period ahead than it did in the first fifty years of Independence. There is no need for excessive concern with stability at the Centre, since experience has shown that stability without democratic, secular and popular content, and without equity and justice, is simply not worth having. ■

# How India has fared

The biggest achievement is the maintenance of democracy, and the biggest failure, social inequality.

AMARTYA SEN

HOW has India fared since Independence? I am afraid we have fared only moderately well.

I recall the rousing speech that Jawaharlal Nehru gave on the eve of Independence, on August 14, 1947. If one considers the various things that he described as "tasks ahead", three commitments that come out quite clearly are, first, a focus on the practice of democracy and the guaranteeing of various freedoms of the citizens of India; secondly, the removal of the social inequality and backwardness that characterised British India; and thirdly, achieving economic progress, judged primarily in terms of how it affects the conditions of the poor in India. Our record in respect of these three commitments has been diverse; it

is not bad in an unmitigated way, nor is it glorious in any sense at all.

I THINK perhaps the biggest achievement is in the maintenance of democracy: India has done very much better than most countries in the post-colonial world in being able to maintain democracy. The threats that came, particularly at the time of the Emergency in the 1970s, were defeated by the Indian voters, and defeated decisively enough for that issue not to be raised again. The fact that the press has remained largely free, civil rights have stayed in place and the military has stayed in the barracks rather than ruling our lives are achievements of considerable distinction. I think the maintenance of democracy and the freedom of mind is certainly a very important achievement.

I was very struck the other day by a

statement that the great historian E.P. Thompson made about India. Thompson was a critical social commentator and a perceptive one, and was describing the most impressive aspect of India as he saw it. He said:

All the convergent influences of the world run through this society: Hindu, Muslim, Christian, secular, Stalinist, liberal, Maoist, democratic, socialist, Gandhian. There is not a thought that is being thought in the West or East that is not active in some Indian mind.

That is a major tribute to what has happened in India, and I think Thompson gets it exactly right: if I were to say what India's main achievement is, it is that it has maintained this aspect of the freedom of mind. It has been very successful in this respect and India's achievement here contrasts sharply with what has happened in many other coun-



Schoolchildren. By a current estimate, based on official data, the number of children in India in the age-group 6-11 years (that is, the primary-school years) not attending school in 1995 was staggering – about 36 million boys and 42 million girls.

tries, not just in the Third World but also in some of the rich countries.

**I**N contrast with the achievement in this field, I think what has happened in respect of social inequality and backwardness is very nearly a disaster – a disaster not in the sense of something going suddenly very bad but something remaining extremely bad without there being any change in it. Our educational progress has been incredibly slow, and also unbelievably unequal. Towards the end of the 1960s I gave a series of lectures on the inequities of Indian education. One of them, the Lal Bahadur Shastri Memorial lecture, titled the "Crisis of Indian Education", was published around 1970; in it I complained about the fact that far more resources were spent on higher education than on primary education. Unfortunately, the situation today, 27 years on, is even more extreme. Higher education has expanded dramatically, and India has one of the largest higher educated populations in the world – for every student that China sends to the university we send as many as six. In contrast, while China is getting close to universal literacy, we are very far away from it. Half the Indian adult population happens still to be illiterate, two-thirds of Indian women are illiterate. India is the only major country in the world that is trying to approach the 21st century with the bulk of the country illiterate. And given the fact that among the commitments that Pandit Nehru emphasised in his speech on the "tryst with destiny" was the removal of illiteracy and ignorance, our failure in this regard is quite amazing.

In other fields as well we see a similar pattern of achievement alongside great inequality. Life expectancy at birth in India has certainly gone up: it used to be below 30 years at the time of Independence and is well above 60 years now. Although that is a considerable achievement, life expectancy at birth differs sharply between classes and between urban and rural areas. Inequalities in survival between women and men persist and have, in some respects, become even sharper. It is not so much that women have a lower life expectancy than men at this time – in fact, they are marginally ahead of or close to men in terms of life expectancy. But we know that, given similar care and attention, women tend to live much longer than men in any society with gender equality, that is, gender equality at least in respect of nutrition

and medical attention. In India that is not the case. So even if women live just as long as men at this time, that still represents a deprivation, because it indicates that women are not living as long as they could have had they received the same medical care and attention as men.

Some of us from time to time have tried to capture these magnitudes in figures that might translate these general concerns into concrete numbers. We have attempted, for example, to calculate the number of missing women, that is, to compute the number of women we would expect India to have given the general achievement of male life expectancy and compare that number with the number of women we actually observe. Depending on the exact method of calculation, the number of missing women in India is between 30 million and 40 million, which is really dramatically large. These are the women who would have been living but are not because they died prematurely, as they would not have if they had received care similar to what men receive in society. Again the pattern is of considerable achievement and tremendous inequality in that achievement. I think various other social areas show a similar pattern.

**T**O turn to the third issue, that of economic growth and, more generally, of economic development, India's record has been again a mixed one. The growth rate was rather slow initially, it quickened a little in the 1980s, it dipped after the economic reforms, and then went up, and it is now running at a reasonable rate of 6-7 per cent a year. This rate is not negligible in any sense, and is certainly among the faster rates of growth in the world. And yet, despite overall economic growth, there is evidence that economic expansion is not reaching the least fortunate in Indian society.

In this context it is useful to examine the programme of economic reforms and liberalisation. My attitude on this is mixed. I believe that liberalisations were due, in some respects overdue. I think the Indian economy was over-regulated in a counter-productive way. Many of the regulations were essentially of a feudal nature, even though they often were sold under a socialist slogan. They often serve people of vested interest. And yet in order to make use of liberalisation and the opportunities of globalisation and to open up to world trade, and in order to distribute their benefits evenly, what we need is a sharing of social opportunities



Rural women at work. "Illiteracy, the lack of health care, the absence of land reforms... and pervasive gender bias make the problem of social inequality in India very large."

that puts different sections of the community on a relatively equal footing.

That is, of course, exactly what happened in East Asia – beginning with Japan and including South Korea, Taiwan, post-reform China, Thailand, Hong Kong, Singapore and so on. The interesting feature of East Asian economic growth is that it is founded on a shared base of general education, a high level of literacy being a common characteristic of all these countries. It is sometimes overlooked that at the time of the Meiji restoration in the middle of the 19th century, well before its industrialisation programme, Japan already had a rate of literacy that was higher than that of Europe. These are very pro-education countries and their education has not been, as in India, concentrated only on the elite. When Japan, South Korea, Taiwan or post-reform China proceeded to development, they were in a position to spread the opportunities of economic expansion very widely.

The case of China is particularly interesting to observe because educa-



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tional expansion in China took place before the economic reforms of 1979. And it is one of history's ironies – Adam Smith, I imagine, would have described it as an unintended consequence of human action – that one of the beneficiaries of the Maoist programme of mass education was market-led economic development in post-reform China. Unlike in India, where market opportunities are concentrated in the hands of relatively few, in the Chinese case they can be much more widely shared, because the basic level of education was so widely shared.

No matter how they arrived there – whether through Buddhism, through a commitment of the state as in the case of Japan, or through a left-wing mass educational programme as in China – one shared characteristic in East Asia has been the relatively egalitarian distribution of social opportunities on the basis of a high level of literacy, a basic level of public health care and good social security systems. That general opportunity could make economic expansion much more participatory than it is, or can be, in India, given the tremendous inequality in social opportunity that we have.

Looking back, then, I would say that the real drag on the Indian economy is the continuation of social inequality and

backwardness. Its direct effect is that lots of people have very few opportunities to lead a good life – to receive medical attention when they are ill, to be able to communicate with others in the country or the rest of the world, to read and write as they like, and so on. But on top of that, these deprivations in respect of human capabilities also restrain a large section of the community from benefiting from the economic opportunities that exist in the modern world.

The distribution of the benefits of economic expansion tends to be severely unequal. This is for a variety of reasons, in which, of course, the unequal ownership of capital is an important factor. In addition, however, the unequal distribution of social opportunities is a major factor; it divides not so much the very rich from the rest, which is what happens as far as the ownership of physical capital itself is concerned, but the middle classes, which are very large in India, from the even larger lower classes. We thus have an odd situation, in which the process of economic development is going ahead at a reasonably fast pace, but where a very large section of the community – indeed, the majority of the community – is not in a position to join in it.

The biggest failure in India is social

inequality; it takes its toll both directly – in terms of the quality of life – and indirectly – in terms of reducing the economic opportunities that people have. I think it is illiteracy, the lack of health care, the absence of land reforms, the difficulty in getting micro-credit if you belong to the rural poor, and, of course, the pervasive gender bias between men and women that make the problem of social inequality so large in India. These are India's main failures and I think that our achievements – in particular, the maintenance of democracy and continued process of moderate economic growth – are enormously compromised by these factors.

DEMOCRACY gives us an opportunity not only to exert our will on matters that are dramatically nasty, like a famine. (It is, of course, a well-observed fact that famines never occur in a democratic country because no government in a democracy can afford to go to the polls or face the criticism of newspapers or opposition parties with an experience of famine in that country.) But we can use democracy also to press for more subtle failures – not that subtle anyway but more subtle than the gross failure of famine – and these are matters such as continuing illiteracy and the continued lack of health care. It is up to us to protest against such things: our great asset, namely, the survival of democracy, can be turned into not only an achievement in itself, which it is, but also as the means for further achievement by political agitation.

Politicisation is extremely important in order to translate the achievements of democracy into achievements in social and economic fields, and I hope very much that this will happen.

In politics as much as in economics, demand is an important influence on supply. We ultimately get what we strongly demand – that is why politics is so important and agitations are important; that is why drawing attention to deprivations is important and having a high-profile perspective in such matters as gender inequality is important. The more we bring the deprivations that blight the lives of many Indians into the political arena, the more likely it is that we will be able to overcome them and achieve what we really hoped we would achieve at the time when Independence came 50 years ago. ■

*As told to V.K. Ramachandran.*

# False promises

Economic liberalisers have grown into the habit of parading assumptions as facts.

ASHOK MITRA

THOSE who swear by economic liberalisation have grown into the habit of parading assumptions as facts. With foreign creditors closing in, the nation, they claim, was on the verge of bankruptcy in 1991 mid-summer; it would have been altogether futile at that juncture to keep resisting World Bank-IMF pressure and not accept the conditionalities of the structural adjustment programme recommended by the two international financial institutions. But was not the decision more an outcome of the psychological crisis the minority regime in New Delhi was experiencing? No clear-cut strategy illuminated its choice. Even at this distance of time, one therefore cannot desist from *ex post* speculation. Had the regime not misplaced its vertebrae, negotiations with the Fund-Bank, who knows, might well have taken a different route and short- and medium-term credit could have flowed from these agencies on much less onerous terms than were agreed to; the dismantling of industrial and exchange controls could have been phased out over a longer stretch.

It was in a way to our advantage that we had emerged as the third largest borrower of foreign funds among the developing nations. This status had its demeaning aspects; in a world dominated by cynicism, a parlous state of balance of payments nonetheless provided an extra bargaining counter; even an oblique threat to repudiate external obligations might have forced foreign creditors to climb down from their high horses. Precedents, after all, were not lacking in this regard; quite a few Latin American governments had mastered the art of turning the misfortunes visiting their external accounts into an excellent pretext for persuading foreign financial agencies to lower the scale of their demands. Our decision-makers unfortunately lacked both the

moral fibre and the practical skill that that kind of bargaining across the counter called for. The reluctance to explore alternative negotiating positions became the basis of the plea that no alternative framework of policy was either conceivable or feasible.

THE practice of substituting facts with fables continues. Consider the official data, periodically doled out, on the performance of the national economy in the half a dozen years since the commencement of the liberalisation phase. Indian economic growth, the latest *Economic Survey* as well as the Finance Minister's budget speech have gone on record, has already climbed the dizzy height of 7 per cent per annum and is poised to conquer even more impressive peaks. The ground reality is substantially different though. Growth in agriculture and allied services has been barely one per cent per annum in the post-liberalisation period, which is less than the annual rate of growth of population; in other words, per capita availability of both foodgrain and raw materials in the country is lower today than it was prior to 1991-92. For industry, the situation is hardly any better, despite the impression created by official verbiage. In as many as four of the six years since con-

One or two oddities feature the official data on industrial production. In the first couple of post-liberalisation years, infrastructural industries, such as mining and electricity generation, performed better than the manufacturing sector proper; in the more recent years, the trends have been reversed and manufacturing growth has outstripped the rate of growth in electricity and mining. The overall situation, however, remains distinctly uncomfortable. A great deal of faith was earlier reposed in the proposition that industrial growth would zoom on the back of continuously rising demand for consumer durables and non-durables. That kind of optimism has now evaporated; latest reports suggest heavy accumulation of inventories in both these areas. Liberalisation of credit and lowering of interest rates have been of little avail too; domestic demand has failed to pick up.

A further point is worth noting. The index of industrial production, as officially computed, subsumes data for the small-scale sector, where the annual rate of growth is assumed to have been around 15 per cent in the post-liberalisation years. The empirical basis for this assumption is thin, as is that for the other assumption that the high tide of performance in the small-scale sector has created millions of extra employment opportunities in the economy.

If agriculture has grown by barely one per cent per annum and industry by not more than 4.5 per cent in the years since 1991-92, the average annual rate of increase in the material production sector as a whole between 1991-92 and 1996-97

could not have exceeded three per cent. The prospects for 1997-98 are no better; were the rains normal for the tenth successive year, farming activities would continue to be adversely affected by the lack of capital formation: public investment is taboo as per the Fund-Bank formula and private investment has dried up. In industry too, no ground exists for

**Growth in agriculture and allied services has been barely one per cent per annum in the post-liberalisation period... per capita availability of foodgrains and raw materials is lower today than it was prior to 1991-92.**

trols were relaxed, the rate of growth of industrial production has lagged behind the rate of growth in the preceding year; the average annual rate of industrial growth between 1991-92 and 1996-97 is unlikely to be much above 4.5 per cent, almost 50 per cent lower than the rate of industrial expansion registered in the 1980s.

the assumption that the cloud of demand recession would lift soon; the data for the first couple of months of the current fiscal year are uniformly bleak.

HOW does then one reconcile the claim of a seven per cent rate of growth in the economy with the actual developments in agriculture and industry, the two sectors that are together responsible for roughly two-thirds of national income and four-fifths of national employment? Attention will perhaps be drawn to the fantastic boom in the services sector, including in the financial sub-sector, where foreign presence has increased spectacularly since 1991-92. Financial transactions, including activities by mutual funds and merchant banks, have proliferated; so have telecommunications and telecasts boosted by the arrival of foreign television channels; hotels and tourism too have expanded at a fast rate, as have luxury food and drinks establishments, mostly set up by foreign entities. Emoluments in each of these areas of activity have skyrocketed, sometimes by as much as 1,000 per cent or more in the course of the past decade. But this enhanced flow of income has not percolated beyond a very thin layer of the urban population. It has perhaps also resulted in some net displacement of labour following the intrusion of foreign entrepreneurship in activities that were in the past reserved for the small and 'tiny' sectors.

Official circles nonetheless have reasons to feel satisfied over the overall rate of growth in the services sector, 10 per cent or thereabouts, in the 1990s. This high rate of growth may well persist. Even should both industry and agriculture near-stagnate, it is still possible for income originating in the services sector to continue to soar: affluent sections and foreign parties who control the services sector are in a position to decide autonomously how much emoluments they are to grant for themselves; liberalisation has accorded them that freedom. Salary scales in selected service activities have already reached international standards, thereby ensuring that estimates of national income growth touch the neighbourhood of seven per cent per annum. For a nation where close to one-half of the people are denied the barest of basic needs, including food and nutrition, this explosion in services earnings, catering

to a small fraction of the population, is a truly extraordinary example of lopsided growth.

It will be not altogether irrelevant to refer to the emerging trends in the country's external economic accounts. A large part of the official claim of success in the so-called 'reforms' hinges on the achievements in this area: in June 1991, the country's foreign exchange balances

not seem terribly exciting. Were inflation to resume following an across-the-board increase in petroleum prices, the rate of growth of exports, already negative in the first month of the new fiscal year, could in fact dip further. And the notion that the import of state-of-the-art technology and equipment would transform the quality of our goods and thereby boost our exports seems to be equally far-fetched.

### **For a nation where nearly a half of the people are denied the barest of basic needs, the explosion in services earnings, catering to a small fraction of the population, is an example of lopsided growth.**

could barely cover one month's imports, the present kitty of \$23 billion, equivalent to as much as six months' imports, marks a vast transformation; if that is not progress, the enthusiasts for liberalisation would croak, what is? Two caveats are nonetheless in order. At least one-half of the current holdings of foreign balances consists of 'hot money', parked in India, for the present and temporarily, by foreign speculators and non-resident Indians. Financial transactions by parties engaged in speculative activities are subject to wild destination swings. Should there be a sudden run on foreign balances, the effectiveness of these balances to stem the tide would be subject to a question mark. The same kind of doubt can be raised apropos Global Depository Receipts (GDRs), which Indian corporate entities have been permitted to accept in international capital markets. The yield from GDRs is of late being shown as an integral part of the country's foreign balances. The claim is hardly tenable, for the authorities have no control over these funds. Nor can the fact be easily ignored that the country has to grapple with an overhang of nearly \$100 billion of external debt.

Even more disconcerting is the haziness in export performance. With the progressive dismantling of import controls, including quantitative restrictions, and the scaling down of tariff barriers, imports have, not unexpectedly, soared in the recent period. Exports have not. Such theories as of export-led or import-led growth have fallen by the wayside. Given the protectionist mood the Western countries are currently in, the prospects of our exports taking off do

MOST of the post-liberalisation enthusiasm in official quarters has focussed on a single issue: would foreigners come and invest in productive ventures on a large enough scale? The Ministry of Finance has projected an inflow of \$10 billion annually

in the course of the coming decade. The Finance Minister has gone on record entreating Western powers such as the British to return to India along with their capital resources, take charge of India for another 200 years and squeeze as much monopoly profit from their activities in the country as they are capable of squeezing and by whatever means.

Not even one-fifth of the Government's expectations with regard to direct foreign investment is getting fulfilled. Besides, the flow of funds till the beginning of the current fiscal year has been heavily biased towards the luxury consumption sector. Since, meanwhile, public investment has been cut back substantially and government policy is to encourage consumption through lowering direct taxes, savings have levelled off, and so has investment; employment too has shrivelled, compounded by the decision to deny working capital and reconstruction funds to public sector units that are in difficulty. Economics has obviously been transformed into an idiosyncratic science: attempts to derive output and employment from productive capacity already installed in the economy through the nation's own efforts in the past are frowned upon because that would be tantamount to betraying the dogma that underlies liberalisation. Meanwhile, waiting will continue for the Godot of foreign capital to arrive. None in the neighbourhood is capable of answering the query whether Godot would arrive at all even if the terms are made extraordinarily more attractive.

This nation, the impression gets strengthened with every day, has been taken for a huge ride. ■

# Persistent deprivation

The failure to provide the people of India with adequate food, clothing, shelter and the basic means of self-fulfilment constitutes undoubtedly the most serious failure of public policy in independent India.

WHEN India became independent in 1947, the most conspicuous feature of the Indian economy was that hundreds of millions of India's people lived in conditions of appalling deprivation — in conditions of hunger, ill-health and avoidable disease, illiteracy and homelessness and subject to different forms of class, caste and gender oppression. Fifty years later, despite the substantial progress made in many fields, that fact remains unchanged. The failure to provide the people of India with adequate food, clothing, shelter and the basic means of self-fulfilment constitutes undoubtedly the most serious failure of public policy in independent India, and is perhaps one of the most tragic failure-stories of public policy in the post-War world.

IN a society where poverty is so pervasive and visible, it is not surprising that social scientists, particularly economists, set themselves early on the task of trying to understand the nature and extent of poverty and social deprivation — of trying to capture, by means of economic-statistical indices, the orders of magnitude of this terrible social problem.

The most widely-used measure of poverty in India, and the one that still dominates government policy and consequent public debate, is the "head-count ratio". This is a measure of income-poverty and measures the proportion of the population below a level of income defined as a "poverty line". The poverty line in India is measured by taking the income (separately for rural and urban areas) necessary to buy a rudimentary food-basket, a basket that, when consumed, yields a minimum level of calories. A poverty line thus defined, then, is something of a destitution line, since it takes into account only the expenditure required for food for subsistence, leaving out other components of the range of goods and services — housing, clothing, education and health services — needed for a decent living.

The head-count ratio is computed on the basis of National Sample Survey (NSS) data on consumption expenditure; people with an income below the poverty line are "poor" and the proportion of the poor to the aggregate population is the head-count ratio.

The inadequacies of an income-meas-

sure of poverty are apparent enough. Quite apart from the problem of determining the level of income that should constitute poverty, an income measure does not capture many important features of economic and social deprivation. A recent measure of economic and social deprivation, and one that has received much international attention, is the "human development index" (HDI) pro-

## FRONTLINE ESSAY



Household food provisions in Jamguda village, Kalahandi district, Orissa, 1993.

posed by the United Nations Development Programme (UNDP). This is a composite index; it seeks to combine data on three features of the quality of life – adequate levels of income, good health and education – into a single index. Operationally, income levels are measured with reference to an international income-poverty norm; access to health is measured in terms of average longevity, or the expectation of life at birth; and access to education and learning is measured by means of a composite index that uses data on average levels of literacy in a society and the average number of years of schooling that that society provides its citizens.

BY all these measures, India fares badly indeed – by international standards and, more important, in terms of the actual levels of living of its people. Public expenditure in India on health, education and social services has been low by international standards. Traditional fault-lines of social deprivation – based on class, caste and gender – continue to characterise patterns of social deprivation.

The number of people below the poverty line was 305.87 million in 1987-88 and 314.66 million in 1993-94; the number of poor thus increased by an average of 1.76 million a year in the most recent period for which there are comparable NSS data. As the accompanying piece on income-poverty shows, trends in the head-count ratio in the 1990s were very disturbing.

Life expectancy at birth has risen substantially in independent India. From 35.5 years for men and 35.7 years for women in 1951-61, it rose to 61.1 years for men and 61.4 years for women in 1994. Internationally, however, other countries have done better than India in this respect (see accompanying piece). In terms of general health provisioning – for instance, access to health facilities,



A boy on his way to night school, a 1967 photograph.

particularly in rural India, and combating infectious disease – India has still far to go.

The problem of educational deprivation in India is critical. India faces the prospect of entering the 21st century with nearly half its population (and more than 60 per cent of its women) illiterate. The number of children in India of primary school age (that is, between 6 and 11 years) who were not in school was estimated to be 78 million in 1995. India is also home to the world's largest child labour force. There is no general law of compulsory school education in India; in the one State in which a forward-looking law for compulsory primary school education has been passed, Tamil Nadu, the law remains to be implemented.

WHILE this is the situation in the country as a whole, the achievement of the people of Kerala show that the well-being of the people can be improved, and social, political and cultural conditions transformed, even at low

levels of income, when there is appropriate public action. In Kerala, the action of mass organisations and mass movements against social, political and economic oppression and the policy actions of governments have been the most important components of public action.

There has been a progressive transformation in Kerala of the health and demographic conditions characteristic of less-developed societies, and the State is far ahead of the rest of India in respect of these conditions. In 1990-92, the expectation of life at birth of males was 68.8 years, against an Indian average of 59.0 years, and the expectation of life at birth of females was 74.4 years, against an Indian average of 59.4 years. The birth rate in Kerala was 18.5 per thousand, against an Indian average of 29.5 per thousand. The death rate was 6.1 per thousand against an Indian average of 9.8 per thousand. The infant

mortality rate was 17 per thousand against an Indian average of 79 per thousand. There were 1,040 females per thousand males in Kerala's population, against an Indian average of 927. The public food-distribution system, the best among India's States, gives basic nutritional support to the people of Kerala.

The people of Kerala have altered radically the system of agrarian relations that existed at the time of Independence (as have the people of West Bengal), and have won important victories against some of the worst forms of caste oppression that existed in the country.

Public action in recent decades has narrowed the gap in health and educational facilities and achievements between the districts of the north and the districts of the south, a gap that widened during the period of colonial rule.

With regard to the proportions of persons in the population who are literate, Kerala and the other States of India are in different leagues. In 1991, 95 per

cent of males and 87 per cent of females above the age of seven were literate; the corresponding all-India figures were 52 per cent and 39 per cent. NSS data from 1986-87 on age-specific literacy show very high rates of literacy in the younger age-groups, over 97 per cent each among males and females in each age-group between 6 years and 24 years, in rural and urban areas. In every age-group below 34 years, even the *rural female* literacy rate in Kerala is higher than the *urban male* literacy rate in India as a whole.

Kerala's achievements were possible because of mass literacy and because traditional patterns of gender, caste and class dominance were transformed radically. In the conditions of contemporary India, it is worth remembering that public action, and not policies of globalisation and liberalisation, was the locomotive of Kerala's progress.

**I**N contemporary India, the solution that has been proposed to India's historic problems of economic backwardness is the economic reform initiated in 1991 by the Congress Government led by P.V. Narasimha Rao and associated with the name of his Finance Minister, Dr. Manmohan Singh. In essence, the reform consists of the policy package of "stabilisation" and "structural adjustment" policies advocated for less-developed countries by the International Monetary Fund (IMF) and the World Bank.

What do these policies mean for the poor? Economic theory and the recent economic history of countries where IMF-World Bank-style policy packages have been implemented show quite unambiguously that the package contains policy devices that work in a variety of ways to the detriment of the working people, the poor and propertyless. Here are some of the ways in which the package works against them:

#### *Reducing and "streamlining" public expenditure*

- State support to a range of schemes for public provisioning, which are considered wasteful "subsidies", is cut back or cancelled. Systems of public food-distribution and rationing, income-support programmes, school-lunch schemes, and housing schemes, for instance, are down-scaled or cut back.
- A restrictive monetary policy pushes up interest rates and pushes down output, creating high-interest, low-investment

conditions that are good for speculators, but which restrict new employment opportunities for the people.

#### *Exchange rate depreciation*

- Structural adjustment seeks systematically to weigh industrial relations in favour of employers. "Deregulating" the labour market means giving employers freedom to set the conditions of employment, to remove minimum wage legislation, and to abolish or undermine other protective labour legislation, including laws relating to living standards and trade union laws. Thus, deregulating the labour market can lead to a loss of jobs, a fall in real wages, and worse conditions of work. An important feature of structural adjustment is the "informalisation" of the work force: organised workers face the prospect of reduced trade union rights and other entitlements, and an increasing proportion of new entrants in the work force are *informal* workers, with little or no legal protection of their rights as workers.

#### *Removing price controls*

- Privatisation has major consequences for the poor. When private owners take over public assets, workers lose jobs. Privatisation worsens patterns of income-distribution in a society by handing over public assets to the rich. By making public services private and permitting private owners to earn profits from what should be public facilities, privatisation cuts off easy public access to a wide range of services and needs, such as health, education and transport.

#### *Obstructing and reversing land reform*

- Under structural adjustment, corporations attempt to gain rights to control land and rural wealth. Governments are urged to repeal land ceiling laws and other laws that seek to control the size of land holdings, and to allow corporations unrestricted rights to own land and control the countryside.

**I**F the next 50 years are to see genuine economic development and an expansion of social opportunity for the people, there must be public action – from below and above – against the class differentiation and agrarian backwardness and the forms of caste oppression and gender discrimination that continue to characterise Indian society today. India's path, as Prabhat Patnaik wrote in a recent issue of this magazine, must be that of growth through social justice. ■

# Income-poverty in India

Of the various measures devised to measure the incidence, depth and severity of poverty, the index most often quoted is the "head-count index". Unfortunately, changes in the methodology adopted by the NSS Expenditure Surveys prior to 1972-73 make estimates of the head-count index during the earlier years non-comparable.

However, allowing for this inadequacy, it appears that the following broad conclusions can be arrived at: first, that the incidence of poverty declined between the mid-1950s and early 1960s; second, that starting with the bad harvests of the mid-1960s we see a sharp rise in the incidence of poverty which touched a post-Independence peak by the late 1960s; third, that starting then and especially after 1975, India had witnessed a significant decline in poverty incidence till 1989-90; and finally, that the years of stabilisation and structural adjustment have witnessed an initial sharp rise in poverty till 1992 and a subsequent decline in 1993-94, but that the 1993-94 figure appears higher than in 1989-90, pointing to a reversal of the earlier declining trend.

The literature examining the determinants of these poverty trends has identified three factors: first, agricultural output growth, leading to a rise in agricultural value added per head of the rural population and contributing to an increase in wages; second, price movements, especially movements in the price of food, which determine the value of the inflation-adjusted earnings of the poor; finally, government expenditure, which by directly and indirectly expanding non-agricultural employment, provides an impetus to a rise in money wages. While all three factors played a role in explaining the rise or decline in poverty incidence during different time periods, the relative significance of each and their directional effect varied across time. It has been argued that the decline in poverty incidence during the 1950s was due more to the stability of food prices (ensured in large part with PL 480 imports) and the rise in government expen-

diture. Inflation and a cutback in government expenditure after the mid-1960s contributed to the subsequent rise in poverty. However, the decline in poverty incidence after the mid-1970s appears to be attributable more to agricultural output growth and increases in state expenditure.

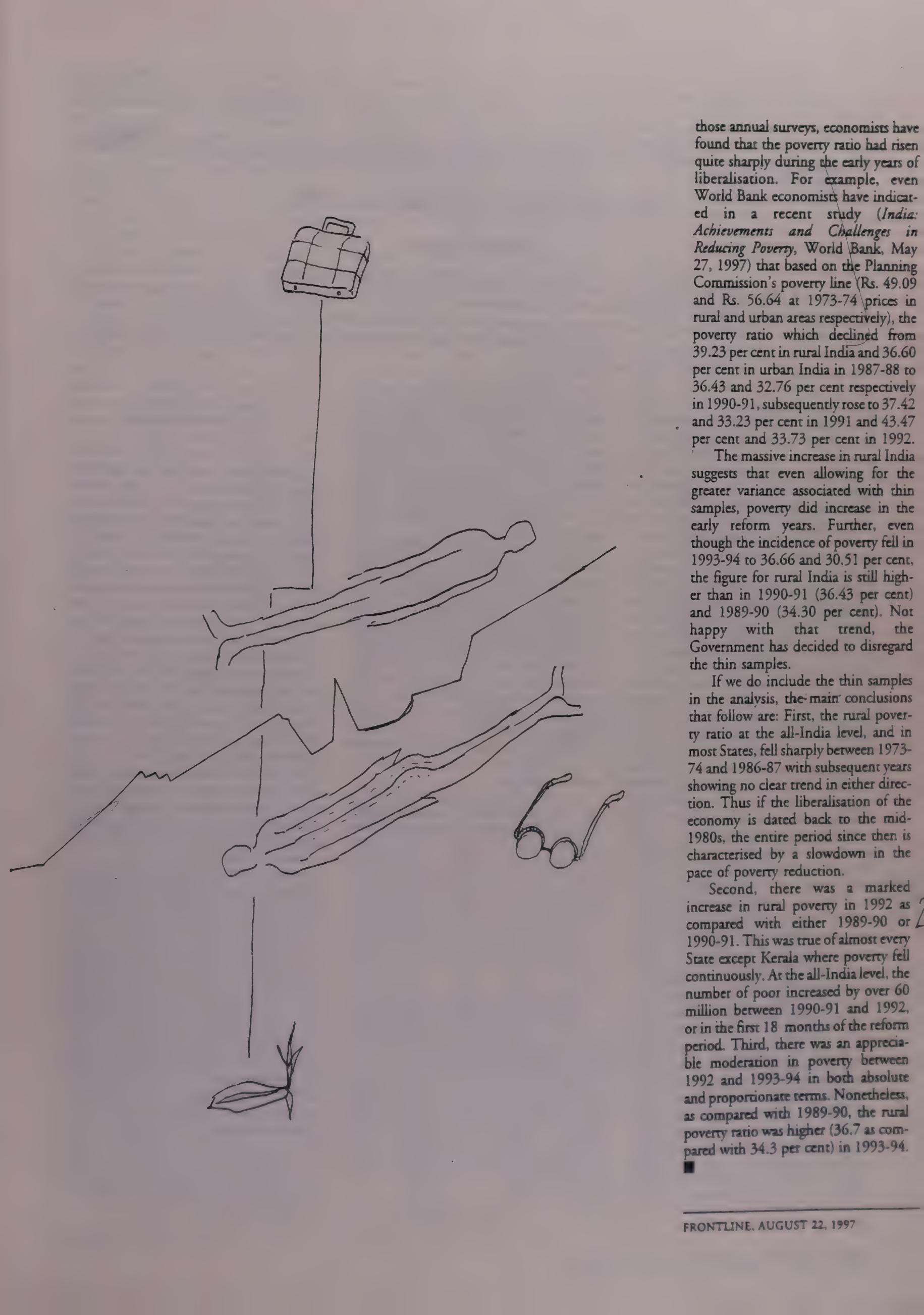
There is broad agreement on these trends and their determinants among economists in India today. However, disagreement increases as the focus of attention shifts to the years of economic reform. The disagreement on trends in poverty is based on the data set chosen. The most quoted estimates of poverty in India are based on data yielded by the "extensive" Household Consumer Expenditure Surveys, which since 1972-73 have been conducted once every five years. The two most recent surveys relate to 1987-88 and 1993-94. However, since 1986-87, the

Government has revived an earlier practice of conducting consumer expenditure surveys on a more regular basis, with such surveys being available annually since 1988-89. The difference between these 'annual' surveys and the 'quinquennial' surveys is that the former are characterised by much smaller sample sizes. A smaller sample implies that the certainty with which the poverty ratio can be precisely identified tends to be lower purely because the range within which the actual poverty ratio can be estimated to lie tends to be larger than that for estimates based on bigger samples. Nonetheless, these estimates are of considerable value.

Disregarding this statistical truth, the Government, supported by sections of the media, has been claiming that the so-called 'thin' samples which the National Sample Survey Organisation (NSSO) surveys at substantial cost in the years between its larger quinquennial exercises should now be completely disregarded. The reason for this insistence is not hard to decipher. Using



An agricultural worker in Salegaon village, Orissa. Barring Kerala and West Bengal, no State in India has implemented radical land reform.



those annual surveys, economists have found that the poverty ratio had risen quite sharply during the early years of liberalisation. For example, even World Bank economists have indicated in a recent study (*India: Achievements and Challenges in Reducing Poverty*, World Bank, May 27, 1997) that based on the Planning Commission's poverty line (Rs. 49.09 and Rs. 56.64 at 1973-74 prices in rural and urban areas respectively), the poverty ratio which declined from 39.23 per cent in rural India and 36.60 per cent in urban India in 1987-88 to 36.43 and 32.76 per cent respectively in 1990-91, subsequently rose to 37.42 and 33.23 per cent in 1991 and 43.47 per cent and 33.73 per cent in 1992.

The massive increase in rural India suggests that even allowing for the greater variance associated with thin samples, poverty did increase in the early reform years. Further, even though the incidence of poverty fell in 1993-94 to 36.66 and 30.51 per cent, the figure for rural India is still higher than in 1990-91 (36.43 per cent) and 1989-90 (34.30 per cent). Not happy with that trend, the Government has decided to disregard the thin samples.

If we do include the thin samples in the analysis, the main conclusions that follow are: First, the rural poverty ratio at the all-India level, and in most States, fell sharply between 1973-74 and 1986-87 with subsequent years showing no clear trend in either direction. Thus if the liberalisation of the economy is dated back to the mid-1980s, the entire period since then is characterised by a slowdown in the pace of poverty reduction.

Second, there was a marked increase in rural poverty in 1992 as compared with either 1989-90 or 1990-91. This was true of almost every State except Kerala where poverty fell continuously. At the all-India level, the number of poor increased by over 60 million between 1990-91 and 1992, or in the first 18 months of the reform period. Third, there was an appreciable moderation in poverty between 1992 and 1993-94 in both absolute and proportionate terms. Nonetheless, as compared with 1989-90, the rural poverty ratio was higher (36.7 as compared with 34.3 per cent) in 1993-94.

# Trends and Structure of Employment in the 1990s

## Implications for Urban Growth

Amitabh Kundu

*Given the several perspectives on economic liberalisation it would be useful to empirically examine the prospect of urban growth in future years. Taking into consideration the changes in the system of urban governance, land management practices as well as attempts at commercialisation of infrastructure and basic services in the 1990s, this paper analyses the trend and types of employment for males and females, in urban and rural areas at the national level using available secondary data.*

ISSUES concerning employment generation for different sections of population have always been important in India in the national agenda. Despite the absence of a clear and unidirectional relationship between unemployment and poverty, increase in unemployment at the macro-level is viewed with alarm and is taken to worsen the conditions of the poor. Importantly, there are apprehensions among planners, administrators and academics that the strategy of economic liberalisation and structural adjustment would result in increase in unemployment in the 1990s, particularly in rural areas. A high rate of unemployment in rural areas is expected to accelerate migration to urban areas, increasing pressure on limited infrastructure. It is, therefore, understandable that reduction in unemployment should figure as one of the objectives of the Ninth Plan.

The capability of the state to create jobs for people in general or even for certain vulnerable sections of population is extremely limited in the present climate of economic liberalisation. It may, therefore, be argued that the public agencies should only monitor the process of employment generation in private and public sectors of the economy and control, to the extent possible, the wage rates, working conditions, etc., rather than directly trying to generate employment. In any case, it would be useful to analyse the recent trends in employment growth and its nature, in different segments of the economy and assess their impact on mobility of population from rural to urban areas.

It is argued by the proponents of structural reform that the new development strategy of linking the country with the global economy would accelerate rural urban migration and boost urban growth in the 1990s and the following decade. This 'optimism' is shared by the Expert Group on the Commercialisation of Infrastructure Projects (1996). The expectation is evidently based on the assumption that there will be a massive inflow of capital, both from within and outside the country, resulting in rapid

development of infrastructure and industrial growth. This is likely to give impetus to the process of urbanisation in the country since much of the industrial growth and consequent growth in employment would be within or around the existing urban centres. Even when the industrial units are located in rural settlements, in a few years, the latter would acquire urban characteristics.

Critics of the new development strategy have, however, pointed out that the industrial growth may not be high in the long run and the present low rate of infrastructural investment would slow-down even agricultural growth. This, coupled with open trade policy, would destabilise the agrarian economy, resulting in high unemployment and massive exodus from rural areas. This would lead to rapid growth of population in urban centres. Thus, the scholars working with totally different ideological perspectives have come to convergent conclusions with regard to future urban growth in India.

Given the alternative perspectives on economic liberalisation, it would be useful to empirically examine the prospect of urban growth in future years, based on an analysis of the trend in employment structure in the country. This would have to be done, taking into consideration the changes occurring in the system of urban governance, land management/development practices, etc., as also the attempts at commercialisation of infrastructure and basic services in the 1990s.

This paper analyses the trend and types of employment for males and females, both in rural and urban areas, at the national level. This has been attempted in the following section, using available secondary data. The next section examines the changes in the nature and sectoral distribution of the workers and discusses the possible effect on their economic well-being. The possible impact of all these, as also the recent changes in the strategy for urban development, on the rate of urbanisation have been analysed in the last section.

### I Types and Trend in Employment Growth

The Population Census of 1991 recorded a reasonably high growth in the number of female workers, viz., 40.43 per cent, during 1980s. The rate for males, however, was 20.81 percent only. As a result, the percentage share of female workers (main plus marginal) to the population moved up from 19.67 to 22.27. One must, nonetheless, hasten to add that a large part of the increase is definitional. The Census of 1991 has tried to ascertain household based economic activities of women by adding an extra clause to a question in the individual slip. Also, the level of awareness regarding women's work in 1991 was much higher than in previous census years due to media publicity, better training of enumerators, etc., resulting in a larger WPR for women. For male workers, however, the WPR declined from 52.62 to 51.61 (Table 2). Here again, the decline can partly be attributed to reduction in child employment due to higher attendance in schools and old people opting out of the workforce, possibly due to improvement in economic conditions of their household.

A slight increase in WPR by usual status has been reported in 1993-94, as per the 50th round of the national sample survey (NSS) (quinquennial survey), over that of 1987-88 (43rd Round) in all the four categories, when we consider people in all age groups (Table 1). WPR in urban areas – considering people with subsidiary employment as workers – has gone up marginally from 50.6 percent to 52.0 percent for males. For females, too, the figure has gone up – from 15.2 per cent to 15.4 per cent. Similar trend is observed in rural areas, the increase for males being higher than females. Even when persons with subsidiary employment are treated as non-workers, the increasing trend is noted in all these categories, except rural women.

The conclusion regarding increasing WPR would, however, be misleading if we do not consider the changes in the age distribution

of population overtime. It may be mentioned that NSS does not report employment for children in (0-4) age group. Also, a decline in WPR in (4-14) age group would not be a matter of concern as this can be attributed to higher enrolment or greater attendance in schools and success of the measures to curb child employment. The same is true for any fall in WPR in (60+) age group as that could be explained in terms of improvement in economic condition of the household. Keeping these in view, WPR for people in (5+) and (15-59) age groups have been considered more appropriate for analysing the degree of employment. Interestingly, for (5+) age group, increase in WPR does not emerge as significantly as in case of the total population. Furthermore, when the figures for the age group (15-59) are considered, the scenario changes totally. The WPR seems to have remained unchanged both in rural and urban areas.

WPR for both men and women, computed by standardising for age distribution, viz., taking the age distribution of 1993-94 as valid for earlier years, gives a stronger result. A decline is noticeable for males as well as females, both in rural and urban areas continuously since 1977-78 (Table 3).

There is yet another problem in making temporal comparison of WPR. There was a severe drought in the year 1987-88 which affected the employment figures adversely, particularly in agriculture. Consequently, WPR in that year is likely to be on the lower side. Taking this fact into consideration, the figures for the years 1977-78 and 1983 from the 32nd and 38th Round of NSS are also included in the analysis.

An overview of the period 1983-93, would show that the improvement in WPR for all ages is restricted to males. For females, it has declined in rural areas while in urban areas it has remained stable. However, if we consider the age group (15-59), WPR comes down for all the categories except females in urban areas. Significantly, when the year 1977-78 is also included the declining trend in WPR emerges sharply, not only for (15-59) and (5+) age groups but also for all ages. Taking all this evidence into consideration, it may be argued that there has been, in general, a decline in work participation rate for adult males. The other significant point suggested by the data is increase in the share of women in workforce (using NSS as well as census data) and consequent feminisation of workforce, particularly in urban areas.

By weekly status, WPR has gone up during 1987-93 for women and men, both in rural and urban areas (Table 4). This is true also for (15-59) age group. Even when we consider the larger time span, viz., from 1977-78 to 1993-94, the WPR is noted to be going up in all the four categories for all ages. However, for the age group (15-59), WPR remains stationary or declines marginally for males. For females, it increases both in rural and

urban areas. Similar is the trend in WPR by daily status, viz., person days of employment (Table 4). The data, thus, reveal that the volume of work has generally increased for all ages as also in the adult age group during the 1980s and early 1990s. This is particularly so for women. This further reinforces the thesis of feminisation of workforce in recent years. All these could possibly be explained in terms of growth in the demand for short duration employment in urban informal activities where women are often preferred.

Unemployment rate by usual status (considering subsidiary workers as employed) has gone down marginally during 1987-93, both for males and females in almost all the age groups. Despite this decline, however, one would observe high unemployment rates in the age groups (15-19), (20-24) and (25-29) – much higher than that in the other age groups, for all the four categories (Table 5). Also, the decline in these rates during 1987-93 is modest, viz., less than the decline in the aggregative rate for all ages. For women in urban areas, the unemployment rate has remained about the same.

The unemployment rates by all different concepts have gone down during 1977-78 and 1993-94. The rates for urban women in the base year were extremely high and there could be definitional problem in that. Focusing on the figures for the years 1987-88 and 1993-94 (quinquennial rounds), one would argue that incidence of

unemployment has gone down both for men and women. The decline is, however, somewhat less in urban areas. For rural females, the decline is indeed quite sharp.

TABLE 3: PERCENTAGE OF WORKERS (PRINCIPAL + SUBSIDIARY) BY USUAL STATUS IN VARIOUS NSS ROUNDS – ADJUSTED FOR THE AGE DISTRIBUTION

Year	Males	Females		
Rural Areas				
1977-78	58.9	0.7	35.1	0.7
1983	57.8	0.8	35.6	0.2
1987-88	56.0	1.0	33.2	0.8
1993-94	55.3	0.8	32.8	0.3
Urban Areas				
1977-78	54.3	2.9	16.9	2.3
1983	54.3	2.7	16.2	0.8
1987-88	52.5	2.8	16.2	0.7
1993-94	52.0	2.2	15.4	1.0

Note: The figures for the year 1993-94 are from the 50th Round of NSS. For other years, the WPR are computed by multiplying age specific WPR with proportion of population in different age groups in 1993-94 and adding them up. The rates for the years 1977-78, 1983 and 1987-88 have, thus, been computed by taking the age distribution of the year 1993-94.

Source: Sundaram (1997): Table presented at the Seminar on 'Gender and Employment in India: Trends, Patterns and Policy Implications', organised by Indian Society of Labour Economics in collaboration with Institute of Economic Growth, December, 1996.

TABLE 1: PERCENTAGE OF WORKERS IN DIFFERENT NSS ROUNDS BY USUAL STATUS (Principal as well as Principal Plus Subsidiary Occupation)

Year/Round	Rural Male		Rural Female		Urban Male		Urban Female	
	Principal	Principal + Sub-sidiary	Principal	Principal + Sub-sidiary	Principal	Principal + Sub-sidiary	Principal	Principal + Sub-sidiary
<b>All Ages</b>								
1977-78 (32nd)	53.7	55.2	24.8	33.1	49.7	50.8	12.3	15.6
1983 (38th)	52.8	54.7	24.8	34.0	50.0	51.2	12.0	15.1
1987-88(43rd)	51.7	53.9	24.5	32.3	49.6	50.6	11.8	15.2
1993-94(50th)	53.8	55.3	23.4	32.8	51.3	52.0	12.1	15.4
<b>5+</b>								
1977-78 (32nd)	62.3	64.1	28.8	38.5	56.2	57.5	14.0	17.8
1983 (38th)	61.3	63.5	28.7	39.3	56.7	58.1	13.8	17.2
1987-88(43rd)	59.6	62.2	28.3	37.2	56.0	57.2	13.4	17.2
1993-94(50th)	61.7	63.4	26.8	37.6	57.4	58.2	13.6	17.3
<b>15-59</b>								
1977-78 (32nd)	90.2	92.0	40.7	54.2	79.6	81.0	19.3	24.6
1983 (38th)	88.4	90.4	40.1	54.5	79.5	81.0	18.7	23.4
1987-88(43rd)	86.2	88.7	39.8	51.6	77.9	79.3	18.3	23.5
1993-94(50th)	86.5	88.4	36.7	51.6	78.8	79.7	18.4	23.4

Source: NSSO (1988, 1990 and 1996).

TABLE 2: PERCENTAGE OF WORKERS TO TOTAL POPULATION IN 1981 AND 1991

Year	Males			Females			
	Rural	Urban	Total	Rural	Urban	Total	
1981	Total	53.77	49.06	52.62	23.06	8.31	19.67
	Main	52.61	48.53	51.62	16.09	7.30	14.07
	Marginal	1.16	0.53	1.00	6.97	1.01	5.60
1991	Total	52.58	48.92	51.61	26.79	9.19	22.27
	Main	51.88	48.57	51.00	18.75	8.15	16.03
	Marginal	0.70	0.35	0.61	8.04	1.09	6.24

Source: Census of India (1992).

As a consequence, the rural rates for males are higher than females (Table 5). The opposite is the case in urban areas – the decline in the percentage of unemployed females is less and their unemployment rates are much higher than those of males in 1993-94. It is important that the trend and pattern do not vary significantly when the persons with subsidiary occupation are excluded from the category of usual workers. Significantly, the fall in the urban unemployment rate is slightly higher by daily status than usual status, specially for women. This could be explained in terms of growth of (short duration) job opportunities in urban informal sector.

Based on the above overview of the nature and pattern of employment growth, one would argue that the growth rate of employment by usual status has gone down during 1977-93, reflected in a decrease in WPR for the adult population. The trend remains the same even when the marginal workers or people with subsidiary occupation are taken as a part of the workforce. In case of males, the decline has been observed for the period 1981-91 through Population Census data as well. Census, however, reports a slight increase in WPR for women during 1981-91 which, at least partially, can be attributed to a better coverage. The decline in WPR during 1987-93 in the adult age group, however, emerges for men and women both in rural and urban areas quite clearly. At the same time, one observes an increase in the volume of employment, as indicated through a rise in the current status employment rate. One must, therefore, admit that these are parts of long-term trends in the economy and cannot be attributed specifically to the programmes of structural adjustment.

The specific features of employment growth during 1987-93, as discussed above, were indeed noted by the scholars analysing the data for the period from 1983 to 1987-88. The WPR by usual status was observed to have declined while that by current status had gone up. The rise in WPR by daily status was seen as an increase in the amount of work available to usually working persons. All these were attributed to a slower growth in jobs available on a regular basis in the organised sector and increase in part-time or casual work in informal activities [Planning Commission 1991 and Mundell 1991].

There was also an increase in the rate of unemployment by usual status during 1983-87. This was viewed with much concern. Fortunately, the rate has gone down marginally during 1987-93, possibly because the unemployment rate was high in 1987-88 due to the severe drought. However, if one compares the situation in 1993-94 to that in 1983, one would argue that the rate of unemployment in 1993-94 has remained about the same. By weekly and daily status, however, there has been a continuous decline in unemployment, with the exception of

rural males (by daily status), confirming the proposition regarding expansion of employment opportunities in informal sector. Furthermore, if one takes the figures in the early 1990s from the annual (NSS thin sample) rounds as comparable with quinquennial rounds, one would observe that unemployment rate has gone up in

1993-94 (by alternate concepts of unemployment) except for urban males (Table 6).

Alarmed by these trends, the Planning Commission (1991) had pleaded for "the adoption of an employment oriented strategy". It had recommended taking employment as the central thrust of the strategy in the Eighth Five Year Plan.

TABLE 4: PERCENTAGE OF WORKERS IN DIFFERENT NSS ROUNDS BY CURRENT WEEKLY AND CURRENT DAILY STATUS

Years	Rural Male		Rural Female		Urban Male		Urban Female	
	Weekly Status	Daily Status						
<b>Ali Ages</b>								
1977-78	51.9	48.8	23.2	19.4	49.0	47.2	12.5	10.9
1983	51.1	48.2	22.7	19.8	49.2	47.3	11.8	10.6
1987-88	50.4	50.1	22.0	20.7	49.2	47.7	11.9	11.0
1993-94	53.0	50.4	26.7	22.0	51.1	49.8	13.9	12.0
<b>Age Group 15-59</b>								
1977-78	87.1	81.5	37.7	31.4	78.6	75.7	19.6	17.1
1983	85.4	80.2	36.4	31.6	78.3	75.2	18.4	16.5
1987-88	84.0	83.5	35.3	33.2	77.3	75.1	18.5	17.0
1993-94	85.1	80.9	42.0	34.3	78.2	76.0	20.9	18.1

Source: NSSO (1988, 1990 and 1996).

TABLE 5: PERCENTAGE OF UNEMPLOYED IN DIFFERENT NSS ROUNDS INCLUDING SUBSIDIARY WORKERS FROM THE CATEGORY OF WORKERS

Age Group	Rural Male		Rural Female		Urban Male		Urban Female	
	1987-88	1993-94	1987-88	1993-94	1987-88	1993-94	1987-88	1993-94
10-14	1.6	0.7	1.1	-	7.6	4.2	1.5	2.1
15-19	4.6	3.3	3.6	1.9	17.2	11.9	13.6	12.7
20-24	5.0	4.9	3.9	2.8	14.9	12.6	17.8	21.7
25-29	2.2	2.3	2.8	0.9	5.6	5.7	8.6	9.7
30-34	0.7	0.6	1.9	0.3	1.6	1.9	3.5	3.9
35-39	0.5	0.2	1.8	0.2	0.8	0.5	1.6	1.3
40-44	0.5	0.1	1.6	-	0.4	0.3	1.0	0.3
45-49	0.3	-	1.7	-	0.4	0.3	0.3	0.3
50-54	0.3	-	1.3	-	0.5	0.4	0.4	0.3
55-59	0.2	-	1.1	-	0.5	0.1	-	0.4
60+	0.3	-	0.9	-	0.4	0.2	-	-
Ali	1.8	1.4	2.4	0.9	5.2	4.1	6.2	6.1

Source: NSSO (1996).

TABLE 6: PERCENTAGE OF UNEMPLOYED PERSONS/PERSON DAYS TO LABOURFORCE/LABOUR DAYS

Year/Round	Male				Female			
	Usual Principal Status	Usual Pri+Subs Status	Weekly Status	Daily Status	Usual Principal Status	Usual Pri+Subs Status	Weekly Status	Daily Status
<b>Rural</b>								
1977-78 (32nd Round)	2.2	1.3	3.6	7.1	5.5	2.0	4.1	9.2
Jan-Dec 83 (38th Round)	2.1	1.4	3.7	7.5	1.4	0.7	4.3	9.0
1987-88 (43rd Round)	2.8	1.8	4.2	4.6	3.5	2.4	4.4	9.0
1989-90 (45th Round)	1.6	1.3	2.6	-	0.8	0.6	2.1	-
1990-91 (46th Round)	1.3	1.1	2.2	-	0.4	0.3	2.1	-
July-Dec 91 (47th Round)	1.8	1.6	2.2	-	1.2	0.7	1.2	-
Jan-Dec 92 (48th Round)	1.6	1.2	2.2	-	1.2	0.6	1.2	-
1993-94 (50th Round)	2.0	1.4	3.1	5.6	1.3	0.9	2.9	5.6
<b>Urban</b>								
1977-78 (32nd Round)	6.5	5.4	7.1	9.4	17.8	12.4	10.9	14.5
Jan-Dec 83 (38th Round)	5.9	5.1	6.7	9.2	6.9	4.9	7.5	11.0
1987-88 (43rd Round)	6.1	5.2	6.6	8.8	8.5	6.2	9.2	12.0
1989-90 (45th Round)	4.4	3.9	4.5	-	3.9	2.7	4.0	-
1990-91 (46th Round)	4.5	4.5	5.1	-	5.4	4.7	5.3	-
July-Dec 91 (47th Round)	4.5	4.1	4.8	-	5.5	4.3	5.6	-
Jan-Dec 92 (48th Round)	4.6	4.3	4.6	-	6.7	5.8	6.2	-
1993-94 (50th Round)	4.5	4.1	5.2	6.7	8.3	6.1	7.9	10.4

Source: NSSO (1994 and 1996).

accelerating the rate of growth of job opportunities. Clearly the trend has continued through the 1990s, as discussed above, although 1993-94 was not a drought year like 1987-88. It is, therefore, surprising that no word of caution has been expressed so far by the planners with regard to the pursuance of the present strategy of development in the Ninth Plan and its employment implications.

## II Changes in the Nature and Sectoral Distribution of Workforce

There have been changes in the nature of workforce during the 1970s, 1980s and early 1990s, as presented in Table 7. The percentage of self-employed persons to the total workers (including the subsidiary workers) has gone down systematically in rural areas from 1977-78 to 1993-94, both for males and females. In urban areas, too, the figure has gone down for females. For males, however, the percentage has increased marginally.

A clear declining trend in the share is observed in case of the share of regular/salaried workers as a proportion of total workers for males. This is noticeable both in rural and urban areas. For females, the percentage figure in rural areas was low but has remained constant over the years. In urban areas, however, the percentage of regular/salaried workers to total (female) workers has moved up from 24.9 per cent in 1977-78 to 28.6 per cent in 1993-94.

Distinct signs of casualisation of employment were manifest in the increase in WPR by daily status, as observed in the preceding section. This, however, has been largely a rural phenomenon, as the percentage of casual workers here has gone up significantly since 1977-78, both for males and females. In case of urban males, one observes that casual employment has grown with a consequent decline in the share of regular/salaried workers. This is in conformity with the result that the WPR for adults by daily status has increased on the face of its decline by usual status, except for urban females.

Surprisingly, the percentage of casual workers has not increased for urban females. Here, the share of regular/salaried workers has gone up at the cost of self-employed workers. It can be argued that the current system of subcontracting of work in the urban economy is such that the female workers are no longer reported in the self-employed category. They are getting work – whatever may be the wage rate or working conditions – on a more regular basis. This reflects a significant change in the organisation of work and emergence of a new subcontracting system in the urban informal sector.

Steadiness in the WPR for adult women, increase in their share of regular/salaried workers, decline in their unemployment rate, etc., in urban areas must be interpreted with

caution. One should not be enthusiastic in welcoming this trend as an indication of growing capacity of the urban economy to absorb women and reduction of gender bias. Such generalisations, without a deeper analysis of the dynamics of development can be misleading. The mere fact that an increasing proportion of female workforce now belongs to regular category may not be a matter of great satisfaction. Indeed, employment growth for women during the 1980s had taken place in sectors with low productivity and low wage rate [Kundu 1993]. In several urban sectors, regular female workers were paid the same as the male casual workers and even less. Detailed data on wages, etc., are yet not available from the 50th Round of the NSS but the pattern of the 1980s is likely to emerge in the 1990s as well. Finally, the share of casual workers going up for males and females may reflect immiserisation since the incidence of poverty among casual workers is very high.

There have been changes also in the sectoral distribution of workforce both in rural and urban areas and these have implications for the economic well-being of the workers. The percentage of workforce in agriculture in Table 8 can be noted to have gone down from 80.5 to 74.6 for males and from 86.8 to 84.8 for females in rural areas during the period 1977-87. In urban areas, the figure increased during 1977-87 but declined thereafter both for males as well as females. The decline can partly be explained in terms of the drought in 1987-88 which would bring down employment in agriculture. Development analysts, however, generally agree that Indian economy has experienced sectoral diversification during the 1980s and have hailed this process as a mark of broadening the base of the economy. Several scholars

have argued that the process had started during 1970s, as reflected in the workforce data, from the census.

Unfortunately, the process of shifting of workforce now seems to have been stalled, at least temporarily, in all the categories, except for urban females. The data from population census, however, indicate that the share of workers in agriculture has gone down during 1971-91 for rural males (but not so for rural females), reflecting continuance of the process of sectoral diversification (Table 9). Stalling of this process, as indicated through the NSS data, can, therefore, be taken as post-1991 phenomenon.

Importantly, the percentage of workers in manufacturing has gone down significantly in urban areas during the period from 1977-78 to 1993-94, the decline being very sharp after 1987-88. This can be explained in terms of jobs being subcontracted out by large manufacturing units to smaller units, often carried out at the household level. Many of these units identify themselves as providing services and, thus, get classified under tertiary sector. In rural areas, however, the share of manufacturing workers seems to be stabilising around 7 per cent both for males as well as females (Table 8). Census data indicate a decline in the share of manufacturing workers, both for males and females, in rural as well as urban areas during 1981-91 (Table 9).

The share of construction workers has fluctuated significantly over the years under consideration. The figure increased considerably during 1977-87 particularly in rural areas. In the following period, viz. 1987-93, however, there is a decline. This is understandable as there was a massive expansion in the government-sponsored

TABLE 7: PERCENTAGE OF USUALLY EMPLOYED PERSONS BY TYPE OF EMPLOYMENT, ALL INDIA

Year	Usually Employed					
	Principal Status		All Workers			
	Self-Employed	Regular Employees	Casual Labour	Self-Employed	Regular Employees	Casual Labour
<b>Rural Males</b>						
1977-78	62.2	10.8	27.0	62.8	10.6	26.6
1983	59.5	10.6	29.9	60.5	10.3	29.2
1987-88	57.5	10.4	32.1	58.6	10.0	31.4
1993-94	56.9	8.5	34.6	57.9	8.3	33.8
<b>Rural Females</b>						
1977-78	56.3	3.7	40.0	62.1	2.8	35.1
1983	54.1	3.7	42.2	61.9	2.8	35.3
1987-88	54.9	4.9	40.2	60.8	3.7	35.5
1993-94	51.3	3.4	45.3	58.5	2.8	38.7
<b>Urban Males</b>						
1977-78	39.9	47.2	13.9	40.4	46.4	13.2
1983	40.2	44.5	15.3	40.9	43.7	15.4
1987-88	41.0	44.4	14.6	41.7	43.7	14.6
1993-94	41.1	42.7	16.2	41.7	42.1	16.2
<b>Urban Females</b>						
1977-78	42.2	30.8	27.0	49.5	24.9	25.6
1983	37.3	31.8	30.9	45.8	25.8	28.4
1987-88	39.3	34.2	26.5	47.1	27.5	25.4
1993-94	36.4	35.5	28.1	45.4	28.6	26.0

Source: NSSO (1988 and 1996).

construction activities in rural areas, particularly in Gujarat and Rajasthan, due to the severe drought in 1987-88, as noted above. In urban areas, the share of construction workers increased during 1977-87 and the trend has been sustained during 1987-93 as well. The figures from population census indicate a rising trend for construction during 1971-91 except for rural females.

Two NSS sectors where the proportions of workers have moved up systematically are (a) wholesale and retail trade and (b) community and other services, particularly after 1983. Population census sectors, corresponding to these sectors – broadly though – would be trade and commerce and other services. Both report significant increase in their share in workforce during 1970s. The increment is indeed very dramatic in case of community and other services for urban females.

The incidence of poverty among casual and self-employed workers in urban areas has been noted to be high – much higher than among the regular workers in the year 1987-88. Similarly, agriculture, construction and trade are the three sectors that reported higher levels of poverty than the national average in 1987-88 [Kundu 1993]. Significantly, these are the categories of employment and production sectors that have gained in terms of percentage share in total employment. The incremental workforce, getting absorbed largely as casual and self-employed workers in low productive sectors certainly cannot be taken as healthy development from the viewpoint of workers' welfare.

#### IMPLICATIONS FOR URBAN GROWTH IN FUTURE YEARS

A study by United Nations (1995) indicates that by the year 2015, seven among the 15 largest cities of the world will be in Asia,

excluding China and Japan. Interestingly, the region claimed only one (among the largest 15) in 1951. This projection exercise suggests that urban growth in Asia, including India, during the next couple of decades would be extremely high, partly due to natural growth of population and partly due to rural-urban migration. The logistic model, used for projection of urban population across the globe, too, indicates that India, along with several countries in south and east Asia, is poised for rapid urbanisation. Furthermore, the protagonists as also the critics of economic reform seem to converge on the view that urban growth in the post-liberalisation phase would be very high, as mentioned above.

It may, nonetheless, be pointed out that given the nature of industries, experiencing rapid growth in recent years, their technology, etc., employment in the organised sector would not grow in any significant manner. On the other hand, a steady decline in the proportion of regular/salaried workers is more

likely in future years, as observed over the past decade and a half. The multinationals, that have come up so far, have high capital intensity and low potential for employment generation. Much of the employment growth in the economy is taking place through a process of subcontracting, using casual and self-employed workers, that have a high incidence of poverty, as noted above. A large percentage of these workers are getting classified under tertiary sector, resulting in a decline in the percentage of manufacturing employment. Indeed, the decline is significant in urban areas, as mentioned in the preceding section.

The slowing down of industrial employment in urban areas can partly be attributed to location of large units outside the municipal limits, thanks to the emergence of environment lobby, particularly in big cities. Furthermore, the capacity of unorganised activities to absorb future migrants seems to be drying up over the years [Kundu and Basu 1995]. In view of

TABLE 9: PERCENTAGE OF WORKERS IN VARIOUS INDUSTRIAL CATEGORIES, ALL INDIA, 1981, 1991

Sectors	Male			Female		
	1971	1981	1991	1971	1981	1991
<b>Rural Areas</b>						
Agriculture, livestock, etc	83.7	81.7	79.8	89.6	89.1	89.5
Mining and quarrying	0.4	0.5	0.5	0.3	0.3	0.3
Manufacturing	5.6	6.7	6.0	5.1	5.9	5.3
Construction	0.8	1.2	1.3	0.4	0.6	0.3
Trade and commerce	2.8	3.3	4.0	1.0	1.1	1.1
Transport, storage and communication	1.0	1.4	1.6	0.1	0.1	0.1
Other services	5.7	5.3	6.7	3.3	2.9	3.5
<b>Urban Areas</b>						
Agriculture, livestock, etc.	11.5	11.7	12.1	23.7	23.1	22.3
Mining and quarrying	1.0	1.1	1.2	1.0	0.7	0.7
Manufacturing	28.4	30.3	25.7	22.8	25.0	21.7
Construction	3.6	4.3	5.3	2.9	3.1	3.3
Trade and commerce	21.4	21.3	23.7	8.2	8.9	10.0
Transport, storage and communication	10.8	10.0	9.2	3.2	2.2	1.9
Other services	23.3	21.4	22.8	38.1	37.0	40.1

Source: Census of India (1993)

TABLE 8: PERCENTAGE OF WORKERS (PRINCIPAL AND SUBSIDIARY STATUS) BY INDUSTRIAL CATEGORIES

Sector	Male				Female			
	1977-78	1983	1987-88	1993-94	1977-78	1983	1987-88	1993-94
<b>Rural Areas</b>								
Agriculture (0)	80.5	77.8	74.6	74.0	86.8	87.8	84.8	86.1
Mining and quarrying (1)	0.5	0.6	0.7	0.7	0.3	0.3	0.4	0.4
Manufacturing (2 and 3)	6.5	7.0	7.4	7.0	6.1	6.4	6.9	7.1
Electricity (4)	0.2	0.2	0.3	0.3	-	-	-	0.1
Construction (5)	1.7	2.2	3.7	3.2	0.7	0.7	2.7	0.9
Wholesale/retail trade, etc (6)	4.0	4.4	5.1	5.5	2.3	1.9	2.1	2.1
Transport, storage, etc (7)	1.2	1.7	2.0	2.2	0.1	0.1	0.1	0.1
Financial, insurance, etc, services (8)	0.2	0.3	0.4	0.4	0.0	0.0	-	0.1
Community, etc, services (9)	5.2	5.8	5.8	6.6	3.7	2.8	3.0	3.3
<b>Urban Areas</b>								
Agriculture (0)	10.2	10.3	9.1	9.0	25.1	32.0	29.4	24.7
Mining and quarrying (1)	0.9	1.3	1.3	1.3	0.6	0.8	0.8	0.6
Manufacturing (2 and 3)	27.7	27.0	25.7	23.5	29.4	27.1	27.0	24.1
Electricity (4)	1.1	1.1	1.2	1.2	0.1	-	0.2	0.3
Construction (5)	4.2	5.2	5.8	6.9	2.6	3.3	3.7	4.1
Wholesale/retail trade, etc (6)	21.6	20.2	22.0	21.9	9.8	9.0	10.0	10.0
Transport, Storage, etc (7)	9.9	9.9	9.7	9.7	1.2	1.6	0.9	1.3
Financial, Insurance, etc, services (8)	3.0	3.5	3.5	3.8	0.7	0.4	1.2	1.9
Community, etc, Services (9)	21.5	21.4	21.7	22.6	30.4	25.8	26.6	33.1

Source: NSSO (1988, 1994 and 1996).

all these, the industrial growth in the late 1990s and beyond, even if it goes up to 6 or 7 per cent per annum, is unlikely to generate massive employment. The growth process attracting a large number of migrants into cities and towns and giving a boost to the process of urbanisation, therefore, seems a remote possibility.

It is true that rural urban migration of labour is primarily determined by economic differentials – differences in wage rates, person days of employment, etc. Indeed, the average income would increase at a faster rate in urban than rural areas. Importantly, however, the volume of migration would be determined not by the difference between rural and urban averages but that at the margin. There are indications that the gap between the real wages of casual workers in urban and rural areas has gone down in the 1990s. The decline in the inflow of these people, who are at the margin of the rural economy and who contributed substantially to the migration stream in earlier decades, would certainly depress the rate of urbanisation. Furthermore, poverty, viz., percentage of poor, in rural areas was higher than that in urban areas by at least five percentage points in the 1970s and early 1980s. Currently, however, due to differential price rise in foodgrains, poverty line in urban areas works out much higher than that in rural areas. This has placed urban poverty at par with the rural poverty. Also, the rate of unemployment in urban areas is higher than that in rural areas, both for males and females. In view of all these, it is difficult to share the optimism that there will be a significant acceleration in urban growth in future years.

Implications of the trends in labour market and other policy changes are significant for future urban growth. Also, the likely growth in regional and rural/urban disparity during the period of structural adjustment would affect migration pattern which needs to be analysed with empirical rigour. Census of 1991 has recorded a significant decline in population growth in urban areas during 1981-91. The growth rate (annual exponential) of urban population during 1970s was 3.9 per cent which, by far, is the highest in the present century. The rate, however, has come down to 3.1 per cent in the 1980s which is one of the lowest in this century.

According to a study by the Office of the Registrar General, New Delhi, in collaboration with East West Centre, Honolulu and Bureau of the Census, Washington (1993), the contribution of rural-urban migration in the incremental urban population has declined from about 39.4 per cent in the 1970s to 22.6 per cent in the 1980s. However, in order to focus attention on mobility of labour due to economic reasons, one may like to look at the pattern of male migration only since a large part of

female migration is due to marriage and other social factors. The percentage of intercensal male migrants in urban areas came down from 18.48 to 16.86 and that of lifetime male migrants from 33.60 to 32.40 during 1971-81, the decade experiencing very high growth of urban population [Kundu and Gupta 1996]. Correspondingly, the share of lifetime interstate migrants declined from 11.22 per cent to 10.02 per cent. The migration data from 1991 Population Census are not yet available at all-India level. However, the unprocessed data for five states, viz. Andhra Pradesh, Haryana, Kerala, Punjab and Tamil Nadu, indicate that the percentage of lifetime interstate migrants (males) in urban areas has declined from 8.7 in 1971 to 7.6 in 1981 and further to 5.1 in 1991. Immigration of females into urban areas, too, is declining but at a slower pace.

It has been pointed out that physical planning controls on location of economic activities, urban land use through master plans, etc., imposed during the 1950s and 1960s had put some kind of ceiling on the absorptive capacity of large Indian cities. This had contributed to the slackening of rural urban migration. Presently, however, a strong lobby is emerging in these cities, pleading for disbanding all zoning restrictions, building laws and bye-laws and making the cities relatively independent of state and central level controls. It is stipulated that decisions regarding location of industries, change in land use, etc., should be taken expeditiously at the local level. The decentralisation of development and planning responsibilities, sought to be ushered in through the 74th Constitutional Amendment, is also expected to help this lobby, through empowerment of local governments in large cities that have relatively high tax and non-tax revenue base. Also, the amendment would make it possible to provide differential levels of amenities, based on the willingness of the people to pay, at the level of ward committees. This would institutionalise disparity in the level and quality of civic amenities within the large cities and strengthen the process of segmentation. The relevant question, here, however, is whether this would give a boost to the rate of urbanisation.

Local bodies are facing two serious problems in attracting foreign and Indian business houses and industrialists. One is that of scarcity of land within the central city or other prime locations and the other is lack of capital. Attempts are being made to make land available at preferred sites to upcoming activities through the market, by simplifying the legal and administrative procedures for changing land use and by pushing out 'low valued' activities. The low income and slum colonies are the obvious candidates for relocation in city peripheries. The shift is being carried out often directly through eviction of slum-dwellers, hawkers, pavement

dwellers, etc. Sometimes, it is done indirectly and discreetly through slum improvement schemes, 'rehabilitating' them out in the peripheries, without providing alternate employment opportunities. This has happened in most of the metropolises irrespective of whether the government in the state or city has a rightist or a radical perspective. Some of the government schemes do have a provision for giving the evicted slum dwellers plots or flats, in the building being constructed at the original site. It is, nonetheless, erroneous to believe that such allottees would be able to hold on to them for a long time, given their acute need for cash, growing land values and relaxation in legal and administrative environment.<sup>2</sup> This would definitely affect the immigration of rural poor and the rate of urban growth adversely.

An ingenious method has been worked out so that the twin problem of finding land and finance in the cities, preferred by national and multinational companies, can be resolved simultaneously. The agencies like World Bank, USAID, etc., have recommended that the floor space index (FSI) in the central areas of the city should be increased so that multi-storied structures can come up, providing space for business houses, commercial activities and high income residential units. The strategy of permitting vertical growth in areas with high land values would enable the local bodies to generate resources for infrastructural development by selling the extra FSI. There is further incentive as often sanctioning of loans by the international agencies is contingent on the acceptance of higher FSI in the central city by the local authorities.

Undoubtedly, such measures would push the poor out to the fringes or outside the municipal boundaries of the cities. The system of allowing extra FSI to be traded in the land market would also help the process of reorganisation of population, making land in the central areas available to the industrial offices and business houses and a select few who can afford the prices. Although the basic idea under the strategy is to promote greater efficiency in the use of land, this is unlikely to increase the density of population or give a boost to immigration stream in any significant manner.

Privatisation of land and civic services, in general, is likely to push up their prices, particularly in large cities. That would invariably slow-down immigration, particularly of the poor. It is observed that the migrants in the class I cities in the early 1980s were economically and occupationally better-off than the non-poor (Premi 1985). Immigration of poor in urban centres would be even less in the 1990s as access to basic amenities would become less due to reduction in public expenditure (particularly capital expenditure) on urban development and social sectors.

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Most of the industries are coming up in the rural settlements or small towns around a few big cities. This is primarily because of easy availability of land, access to unorganised labour market and lesser awareness and less stringent implementation of environmental regulations in these settlements. The poor are able to find shelter in the "degenerated periphery" and find jobs in the industries located therein or commute to the central city for work [Kundu 1989]. The entrepreneurs, engineers, executives, etc. working in the industries, however, reside within the central city and travel to the periphery through rapid transport corridors. This segmented structure of city growth, emerging in different variants in different regions, cannot give a big impetus to rural urban migration.

The small and medium towns located at large distances from the 'emerging global centres of growth', particularly those in backward regions, are unlikely to receive substantial private sector investment. Census of 1991 brings out that the towns having less than 50,000 population, not merely have a small proportion of workers engaged in manufacturing, but also fewer households covered through basic services like drinking water, toilets, and electricity. With governmental investment in infrastructure and basic amenities becoming less and less over the years, the disparity across urban centres is likely to increase. It would be erroneous to expect these towns to finance capital expenditure through internal resources or borrowings from the capital market. The fiscal discipline, sought to be imposed by the government and credit rating agencies on urban local bodies, would make it impossible for them to undertake capital expenditure of any kind. The deficiency in even basic amenities, in turn, would be a hurdle in their attracting private investment from within or outside the country. It is only a few large cities with strong economic base that would be able to secure good credit rating and raise resources through bonds and other instruments of credit.

Indeed, the rate of urbanisation could be high, if the process of rural urban transformation is expedited through sectoral diversification, viz. increase in secondary and tertiary activities in large villages, helping the latter acquire urban status. There are about 3,000 villages having population above 10,000 in the country and their inclusion within the urban fold would immediately increase the percentage of urban population by five percentage points. It may, nonetheless, be pointed out that, for acquiring urban status by population census, it is necessary for a settlement to have 75 per cent of the male workers outside primary sector, besides satisfying other demographic criteria like population size and density. Unfortunately, the share of non-agricultural employment in these 3,000-odd large villages works out as

less than 40 per cent in 1991. It is, therefore, quite unlikely that a large majority of these would become urban places by the year 2001. This is specially so because the process of sectoral diversification, viz., shift of workers from agriculture to non-agriculture, has slowed down in the 1990s, as discussed above.

Often the question is raised whether intervention by the state can change the process and pattern of urban growth, as projected above. The analysis of the trend in labour market and changing policy perspective in the preceding sections makes it clear that posing the issue as state versus market does not give much analytical mileage. One must ask what are the tools of intervention available to the state and what are the objectives for which these would be used. If the public agencies intervene only as facilitators of the market, removing its deficiencies and saving the powerful actors from market failures, the pattern of urbanisation, as discussed above, would emerge, possibly with greater ease.

It is well recognised even by the proponents of liberalisation that given the socio-economic reality in urban India, it is difficult for the private sector to bring about the changes in city structure, reorganisation of land use and infrastructural facilities in space, as discussed above, without state becoming an active and collaborating partner. The state has indeed responded quite favourably during the past few years by ushering in the desired changes in administrative and legal system, although bureaucratic inertia has made the process slow. The message, however, that comes loud and clear from the Expert Group Report on Commercialisation of Infrastructure (1996) is that such changes are possible and are forthcoming.

### Notes

[Vimal P Shah made valuable comments on an earlier draft. The assistance of Arti Dave and Debolina Kundu in the analysis of data is gratefully acknowledged.]

- 1 It may be pointed out that the percentage of people in the age group 40-59 has gone up and it is in this age group that the WPR has reported a significant increase during this period. This explains why WPR for 15-59 age group has not gone up despite the rate going up for the total populations.
- 2 A major concern in the scheme for Rehabilitation of Slum and Hument Dwellers, currently being implemented in Brihanmumbai, for example, is to prevent future encroachment of land in the central areas. The Study Group (1995) set up for this purpose observes that "encroachment of any land need to be firmly and quickly removed. For this purpose action needs to be taken as the first signs of unauthorised construction surface. Machinery needs to be established and strengthened wardwise with police force which should be well equipped."

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**YEARS  
SPECIAL**

# The Urban Slum: Exploiting The Eyesore

No sustainable government initiative or enterprise leadership has brought real relief to city slum communities. In fact, given the expanding urban footprint, their squalor is at a high premium today.

'Apni mehnat se bhai / Dharti ki hai khudaai / Mitti ka banaya ghara / Ghare se eet banayi / Eeton se mahal banana / Pasina bahaya hamne / Dhanwan ko mili suvidha / Sukh chain dilaya hamne / Is duniya main kya main apna / Baas-tin ki mehangai, Aisa kyon hai bhai / Kyonki...yeh builderon ka raj hai....'

'It is our labour that dug the earth, that made the bricks, it is our sweat that turned the bricks into palaces for you, the rich got all the facilities, have achieved happiness and contentment, but what have we got? Costlier tin and bamboo. Why is this so... because it is the rule of the builders'.

(Song by Aavhaan Natya Manch in *Hamara Shaher*, a film on slum demolitions in Mumbai)

**T**hese lyrics might quite aptly describe the plight of the slum-dwellers, pavement-dwellers and other homeless of urban India. Fifty years since the end of British rule, the situation of the country's urban poor has considerably worsened, even while architectural and engineering marvels have arisen in our cities to rival those in the biggest cities worldwide.

Where the slumdweller would rather candidly point out that Independence appears to have ushered in a 'Builderon ka Raj', official statements and documents appear to agree on the gross inequalities that exist, though their analysis is couched in a way that gives it a seemingly greater degree of sophistication.

According to a World Bank Sector Working Paper on urbanisation, 'Polarisation of incomes has developed within the urban centres with a small and increasingly wealthy group separated socially and even physically from the poorer sections of the population...present trends and pressure of population and labour force indicate a worsening of income distribution over the near future at least'. That was in 1972!

Then in 1988 the National Commission on Urbanisation (NCU) once again drew attention to the massive disparities in the urban centres, saying, 'The urban centres have also generated the most brutal and

inhuman living conditions...(and) in the decades to come who knows how much political tension and physical violence will be triggered off by the flagrant display of wealth which coexists with the rising expectations of the poor, and with the appalling conditions of congestion and pollution which form their environment.'

Even in 1993, a UN ESCAP Report pointed out, "If the poor are contributors to the city's wealth, they must also share its benefits. But too often they are denied access to land and proper housing."

As the NCU had earlier noted, 'The growth of slums is symptomatic of the inability of people to procure land and shelter through market transactions, in which they find themselves outpriced since government has failed to regulate urban land resources in such a way that the poor have equitable access to them.'

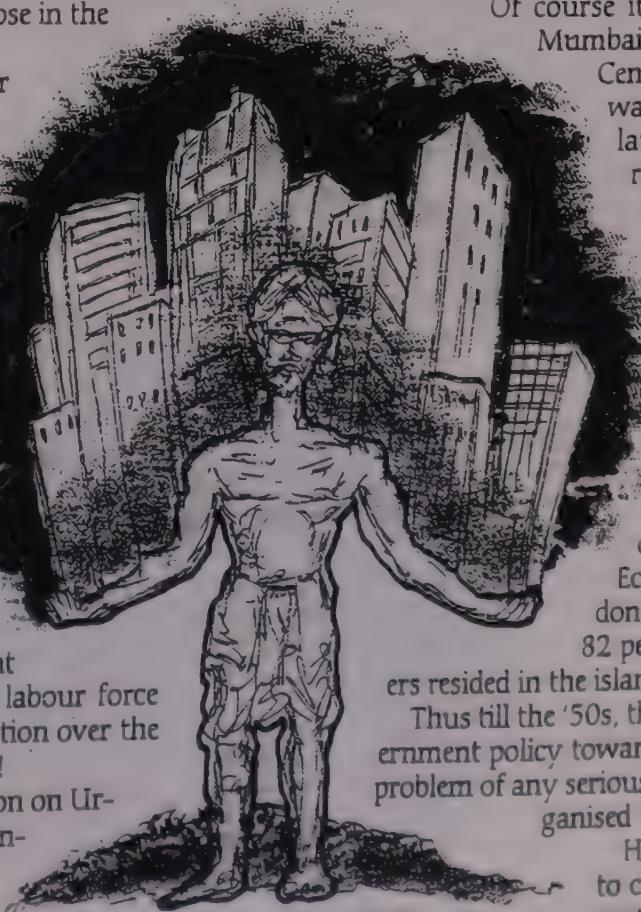
In other words...yeh builderon ka raj hai.

## The growth of slums

Of course it was not always like this. When Mumbai's population was reported in the Census of 1901 to be 8.13 lakh, there was a virtually negligible slum population. In fact, the first significant record begins in the 1950s, when there was a mini-urban boom in India, especially among the bigger towns and cities. In the 1961 census, Mumbai registered a slum population of 10 per cent, and where earlier in 1952 there were estimated to be only 20,000 pavement dwellers, by 1961 this figure had risen to 62,000 i.e. 1.5 per cent of the city's dwellers lived on the footpaths. Interestingly, the Economic Survey of greater Mumbai done in 1959 reveals that as many as 82 per cent of the city's footpath dwellers resided in the island city - south and central Mumbai.

Thus till the '50s, there was virtually no coherent government policy towards slums. It was not perceived as a problem of any serious proportions, necessitating any organised intervention.

However, the situation rapidly began to change after that with massive migrations to the cities arising out of a variety of factors. A number of socio-logical studies have clearly established that 'push' factors from the rural areas rather than 'pull' factors from the cities have



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been responsible for this process. The former include drought, floods, famines, landlessness, rural unemployment and underemployment as well as caste-class violence.

By the 1990s, the slum population in Mumbai had swelled to between 50-60 per cent of the city's total and it was widely accepted by the government planners that the 'problem of slums' could not be easily wished away.

#### Profile of slum-population

A number of studies have clearly established that the slum and pavement dwellers are an integral part of the city's economic life, even though they are also among the most marginalised sections. For example, in 1969 a study was conducted by the Tata Institute of Social Sciences for the Brihan Mumbai Municipal Corporation. This revealed that 22 per cent of pavement dwellers were either self-employed or characterised as petty traders (hawkers, cobblers, tailors, vendors etc) while 53 per cent were manual labourers (coolies, hamaals, handcart pullers, etc) and seven per cent were in the unorganised service sector.

This profile was confirmed by another study carried out by the Nirmala Niketan College of Social Work in 1981-'82 which found that 43 per cent of the pavement dwellers were self-employed and 42 per cent were casual or manual labourers, indicating a rise of 10 per cent in those in marginalised occupations.

However, it also should be noted that the slum-dwellers are to be found at the very lowest rung of the economic scale in the city. While the National Sample Survey of 1983 calculated that 16 per cent of Mumbai's population fell below the poverty line, and a 1989 survey done by the Operations Research Group found that 27 per cent were below the poverty line. The 1976 slum census of the BMC, a 1977-78 survey done by the TISS, and the 1989 ORG survey found that 40 per cent, 30 per cent and 45 per cent of all slum households fell below the poverty line respectively. Further the TISS survey estimated that the corresponding figure was 55 per cent for the homeless, and the ORG survey found it to be 70 per cent among the pavement dwellers.

To this, if we add other related figures of exclusion from human development, and take note of the abysmal living conditions of the majority of slum dwellers, the deprivation that they face five decades after Independence only strengthens the assertion that they live essentially in a 'Builderon ka Raj'.

#### Development of government policy

As already mentioned, there was little need for a coherent government policy towards the question of slums till the mid-'50s due to their relatively small numbers. One of the first laws was the Delhi Slum Areas (Improvement and Removal) Act of 1961, which was indicative of the policy throughout the country. This implied that slums would be cleared, and slum-dwellers rehoused in government-subsidised housing.

Thus in Mumbai too, Sec 354 A was introduced into the BMC Act under which single room tenements at an estimated cost of Rs 8,000 each were provided with 50 per cent of the subsidy coming from the central government and the rest being provided by the BMC.

By the end of the '60s, however central government aid to such schemes had virtually come to an end, and the size of the ever-growing slum population had rendered complete relocation virtually impossible. Thus began the Slum Improvement Programme under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971. The scheme envisaged providing civic amenities like water, toilets, roads, drainage, street lights etc to improve living conditions and the quality of life in the slums. Similar schemes were begun locally in other metropolitan cities where the responsibility for providing amenities lay with the government. As part of this the Maharashtra government set up the Maharashtra Slum Improvement Board in 1974, though after the Emergency, this was merged with the Maharashtra Housing and Area Development Authority (MHADA) in 1977.

However, in 1975 the first of many controversies began as demolition of 'illegal' slums came gradually to occupy an important place in slum policy. This was the razing of a number of structures at Delhi's Turkman Gate, where the demolition squads were accompanied by a vast number of armed police.

In 1976, the BMC conducted its first slum census in Mumbai, and after the passing of the Vacant Lands Act in 1975 and the Urban Land Ceiling Act in 1976, began a policy of 'legitimising' slums beyond a certain cut-off date, declaring all later constructions as 'illegal' and hence slated for demolition.

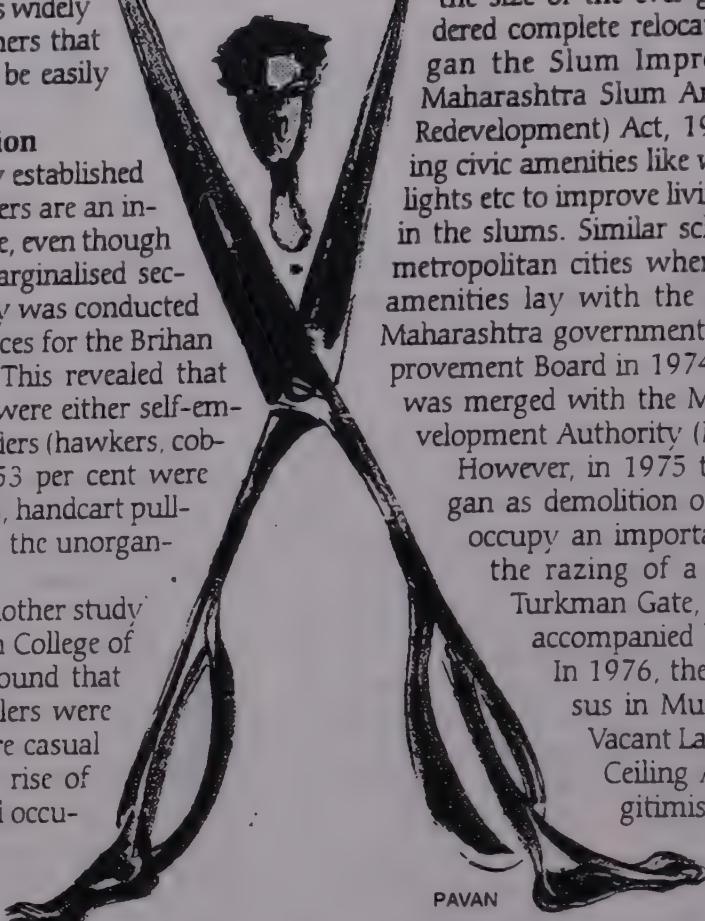
#### Resisting the onslaught

The demolition policy has become one of the major areas for mobilisation of the slum-dwellers, and has sparked off a strong challenge to the 'Builderon ka Raj'. After the post-Emergency outcry against the Turkman Gate incident, when bulldozers were used to literally raze the slum structures to the ground, and following localised protests against the demolition of specific slums (like the Janata Colony in Mumbai), the first comprehensive opposition to the very policy of demolitions occurred in 1981.

That year in late July, during a heavy monsoon, the Maharashtra government, then headed by A R Antulay, launched an unprecedented attack on the pavement dwellers at various points in the city. Thousands of huts were brutally demolished, the belongings destroyed, and the beleaguered inhabitants bundled into waiting state transport buses to be deported outside the state. In the public outcry that followed, the Mumbai High Court stayed further demolitions, and a public interest litigation, challenging the policy of demolition as violative of the constitutional right to life was moved in the Supreme Court.

In 1985, the apex court ruled that while the right to life included the right to shelter, demolitions and evictions could be carried out with prior notice to the inhabitants, an order which in effect gave a green signal to the authorities to con-

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Even though the 50 per cent of Mumbai's population that lives in the slums occupies just six per cent of the city's land, the threat of the municipal demolition squads is always present.

It must be mentioned that this is so even though India is a signatory to the International Covenant of Economic, Social and Cultural

Rights adopted by the UN in 1966. Article 11(1) of which expressly recognises the 'right to...housing and continuous improvement of living conditions'.

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tinue with its campaigns. Thus today, even though the 50 per cent of Mumbai's population that lives in the slums occupy just six per cent of the city's land, the threat of the BMC's demolition squads are always present.

It must be mentioned that this is so even though India is a signatory to the International Covenant of Economic, Social and Cultural Rights adopted by the UN in 1966, Article 11(1) of which expressly recognises the "right to...housing and continuous improvement of living conditions". Also it abides by the declaration of the UN Commission on Human Rights which in 1993 recognised forced evictions as an isolation.

#### Present situation

Following the campaign for a right to housing, which got countrywide support post-1985 following the Supreme Court order on demolition, the government once again made a subtle shift in its approaches. With World Bank guidance it has introduced various slum upgradation schemes since then, under which the slum dwellers are supposed to be provided housing loans. The Maharashtra government claims to have gone one step further with its Rs 40 lakh housing scheme, which as been earlier analysed (*Humanscape*, September 1995), is neither 'free' nor 'pro-people'.

Meanwhile, demolitions continue throughout the country, be it in Mumbai, Nagpur, Calcutta, Delhi, Bangalore, Chennai,

Hyderabad or Bhopal.

What then are the trends, as we move into the next century and past the milestone of the golden jubilee of India's 'tryst with destiny'? The best indicator perhaps is Mumbai, targeted to be not just India's financial capital and leading megalopolis of the 21st century, but to become a now global financial centre, another Hong Kong or Singapore.

Ten years ago, the last slum colony in today's business district, Nariman Point, waged a bitter, but epic struggle to protect their homes and hutments. Sanjay Gandhi Nagar (renamed later as Sangharsh Nagar by the activists who led the struggle) resisted many attacks, and finally forced the government into making alternative arrangements for their relocation. Ironically, Dindoshi (over two kilometres away and then a barren hillside of scrub and marsh) where they shifted has developed dramatically since then, and gleaming skyscrapers once more dwarf the tiny hutments in an ominous, threatening fashion. Meanwhile Dharavi, then Asia's largest slum, is now targeted as the next business-financial district, and gradually, the settlers there are being forced to relocate and move further away from the city's centre.

Thus the saga continues, the slums are attended to and demolished when the needs of the city spread (read as the needs of the building lobby), buildings take their place, for some the profits roll in, for others.... H





# Child Bonded Labour: Shackled Sujju

In a severe indictment of the Indian government's failure to end bonded labour, Human Rights Watch has brought out a report. Will such initiatives and the recent historic ruling of the Supreme Court metamorphose the prospects of child labourers?

**S**hivalinga, a 13-year-old boy worked as a carpet weaver from the age of nine years in Mirzapur district of Uttar Pradesh when his father, a landless labourer, took a Rs 2,000 advance by pledging his son. Shivalinga was paid just Rs 25-50 for each rug that he wove amounting to about Rs 1 per day. Had he been paid just Rs 10 a day, which itself is far below the minimum wage, he could have paid off the original loan in eight months and in the remaining two-plus years of his employment, earned another Rs 7,000. Shivalinga's employer, however, claimed that he is still owed the Rs 2,000 advance (Human Rights Watch).

Even as India hopes to enter the next century hitched to the bandwagon of 'globalisation', spurred by dreams of western levels of affluence, at least seven per cent of its population is still serving sentences as bonded labour in slave-like conditions more reminiscent of the Middle Ages. In a severe indictment of the Indian government for its failure to end bonded labour, the international organisation Human Rights Watch (HRW) has brought out a report titled, 'The Small Hands of Slavery', in September 1996, on bonded child labour in India from which the above case study is drawn. According to HRW, there are at least 15 million children alone working in agriculture and the carpet, beedi, silver, syn-

thetic gemstone, silk, leather and other industries in futile attempts to pay off bonded debts. Adults are to be found mostly in agriculture or in stone quarries, brick kilns, building and road construction, weaving, pottery, headloading, etc. in total violation of the Bonded Labour System (Abolition) Act (BLSA Act) of 1976.



Poverty and power. An uneasy alliance

"Hundreds of millions of India's people are extremely poor and live hand to mouth," says HRW. "When additional financial needs arise to compensate for seasonal declines in earnings or crops, to pay for medical expenses, or to pay for wedding or funeral ceremonies- there is no store of resources available, and the money must be borrowed."

In many industries such as beedi manufacturing, the child's labour serves only as interest on the loan and as surety and does not function to pay off the original loan at all. The original amount loaned to the parent must be repaid in full in a single instalment, only then will the child be released from servitude. Industries that do allow for gradual repayment of the original debt make it difficult to escape bondage by increasing the principal of the loan by adding cost of materials, meals given to children and medical care provided.

Or the low wages paid may force the parent to seek an additional loan. Most significantly, interest rates of 1,200 per cent a

year are not uncommon. Even when all the child's earnings are withheld as repayment towards original debt, "the vague-

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ness of terms and the power advantage of the employer mean that children end up effectively repaying their debts several times over, and still are not released," says HRW.

In Kancheepuram, written contracts are used and if a worker attempts to escape, the police when contacted by the employers will forcibly return the runaway workers to their servitude, even though such contracts are illegal under the BLSA Act.

"Why does India—the Indian government, the ruling elite, the business interests, the populace as a whole—tolerate this slavery in its midst?" questions HRW. "According to a vast and deeply entrenched set of myths, bonded labour and child labour in India are inevitable. They are caused by poverty. They represent the natural order of things, and it is not possible to change them by force: they must evolve slowly toward eradication". But says HRW, "...in fact, poverty is only one of many factors at play in creating and sustaining the conditions that facilitate endemic bondage. In India, the other key elements include: an ancient tradition of slavery and debt bondage, the lack of alternative small-scale loans for the rural and urban poor and the lack of concerted social welfare schemes to safeguard against hunger and illness; a non-compulsory and unequal educational system; the lack of employment opportunities and living wages for adults; corruption and indifference among government officials and social apathy. A final element is caste-based discrimination."

The authors add in a footnote: "(Bonded labour) is a convenient arrangement for the lucky top layers of privilege. Those who have the power to change this...are uninterested in doing so".

"Forced labour" or *begar* was prohibited right from the inception of the Constitution under Article 23 but it took the government 25 years to realise that the bonded labour system continued unabated when it finally abolished it by passing the

## The Seamy View

Traditional acceptance of debt bondage can render redundant, the enactment of even the Bonded Labour System (Abolition) Act.

North Arcot district of Tamil Nadu is home to some of the worst forms of bondage of child beedi rollers. In 1995, the district collector of North Arcot initiated the Child Labour Abolition Support Scheme (CLASS), under which 1,455 children were reportedly released from bondage. But Human Rights Watch found that 30 per cent of all the children ostensibly 'liberated' were in fact still working in servitude.

Instead of extinguishing the debt as required under the BLSA Act, the collector had offered to compensate the employers at 50 per cent of the original loan amount in exchange for the release of the bonded labourers. This amount, according to HRW, "was proposed not as a compromise between full repayment (honouring the status quo) versus zero repayment and prosecution of the offending agents (strict application of the law) but as an amount that purported to reflect what the agents would be entitled to had they offset the original loans against a reasonable value of the children's labour." Hence Mani, a 13-year-old boy who had been in bondage since the age of six, though ostensibly released under CLASS, was told by the agent that he still owed Rs 1,000 to him which he had to work and pay off. Consequently, Mani was now working for three hours each before and after school rolling 1,000 beedies a day at Rs five as wages.

The collector, though aware of the ongoing servitude, continued to refer to these villages as 'bonded labour free' and also seemed undisturbed by this state of affairs, says HRW. He also did not intend to prosecute the recalcitrant agents.

The high failure rate of the collector's scheme has been attributed by HRW to the traditional acceptance of debt bondage by all sectors of society and also the Collector's own 'participation in the system' by his reluctance to prosecute the employers, his refusal to free the children outright despite having the legal mandate to do so, and his conciliatory approach to the bond masters, including treating the bond debts as valid and legitimate. The BLSA Act on the other hand is unequivocal in making offences under the Act cognisable making it mandatory for the state to initiate criminal proceedings and also to extinguish debts and rehabilitate the victims with a grant. That this 'timid and conservative programme' is considered the boldest in the country is, says HRW, 'a discouraging testament to the government's low prioritisation of recovering children from bonded labour.' Of course, it is said in defence of this programme that it attempts to break the cycle of poverty and endemic bondage by improving the incomes and savings of at-risk families, fostering social and attitudinal changes in these families in favour of primary education and vocational training, etc. But does it need to be so 'alarmingly acquiescent' to the agents and owners and to the status quo?

Bonded Labour System (Abolition) Act in 1976. Detailed surveys were conducted by all the states at that time and by the end of 1993, the total number of bonded labourers identified and released was 2,51,424 of whom 2,27,404 were reported to have been rehabilitated. But what is significant is that after the initial fervour, there were hardly any fresh identifications undertaken in most states. According to Fr Kiran Kamal Prasad, coordinator of Jeevika (Jeeva Vimukti Karnataka), no fresh cases were identified in Karnataka after 1980. Those identified before 1980 were rehabilitated in small batches until now, though 102 of them are still required to be rehabilitated and 6,376 are declared to be non-traceable. Hence many district collectors claim that their districts are "bonded labour free" or that "the Act was a time-bound one-time affair", "the Act has lapsed", or "the cut-off date for the Act is over", even when non-governmental sources have been estimating the number of bonded labourers in the country to be around 65 million in 1994.

Time and again, the Supreme Court has hence had to give directions to the central or state governments while disposing of public interest litigations to conduct fresh surveys, identify, release and suitably rehabilitate bonded labourers whether in the Bandhua Mukti Morcha case regarding stone quarry workers in Faridabad, the

Neeraja Chaudhary vs State of Madhya Pradesh case or the People's Union of Democratic Rights vs Union of India case (better known as the Asiad case).

Even in the latest case before the apex court, the People's Union for Civil Liberties (PUCL) vs State of Tamil Nadu, the government of Tamil Nadu stated in a sworn affidavit to the court that "in Tamil Nadu only stray cases of bonded labour are noticed..." Twelve other state governments have also made the same assertion before the court which was however un-

# A Historic Verdict

The apex court's recent directive on child labour can accomplish much.

The Supreme Court judgement of December 10, 1996, on child labour comes at a time when there is a growing ethos of concern over the issue. The judgement almost coincides with the 50th anniversary of the founding of UNICEF and also the release of the Human Rights Watch Report on bonded child labour in India, titled 'The Small Hands of Slavery', which helps to bring the issue into sharp focus. The judgement, while calling for an end to the employment of children under 14 years in hazardous occupations, directs all employers to pay a compensation of Rs 20,000 for every child, to be deposited in a child labour rehabilitation-cum-welfare fund, the income from which is to be used for the compulsory education of the child concerned. To give shape to these directions, states have been asked to complete surveys on child labour employed in hazardous industries within six months. But will this new judgement succeed in bringing children out of sweat-shops and putting them in schools, which is where they belong, or will it go the way of many other similar directives and enactments of the past?

convinced and appointed its own commissioners to report back to it directly from all the 13 states. In a report submitted recently, Siraj Sait and Felix Sugirtharaj, the commissioners for Tamil Nadu reported that there are over ten lakh bonded labourers in Tamil Nadu. In a strong indictment of the role of district collectors, the commissioners noted that they were "either unaware of the provisions of the Act or did not give it any priority".

It is necessary to go into the definition of bonded labour to understand why the perceptions of bureaucrats and activists differ so much on the question of who is a bonded labourer. The BLSA Act of 1976 defines bonded labour system as that of: "forced, or partly forced, labour under which a debtor enters, or has, or is presumed to have, entered, into an agreement with the creditor to the effect that in consideration of an advance obtained by him...and in consideration of the interest, if any, due on such advance...he would,

1) render...labour or service to the creditor for a specified period, or for an unspecified period, either without wages or for nominal wages, or

2) forfeit the freedom of employment or other means of livelihood...

3) forfeit the right to move freely...

4) forfeit the right to appropriate or sell at market value any of his property or product of his labour..."

It is hence clear that the definition contains a series of alternatives and (as clarified by a guideline issued by the Centre in 1983) the presence of any one of the four disabilities specified above together with an element of loan, debt or advance, would be sufficient to confirm the existence of a bonded labour system. Nominal wages has been further defined under the Act to mean a wage which is less than the minimum wages fixed by the government and where no such minimum wage has been fixed, the wages that are nor-

mally paid, for the same or similar labour to the labourers working in the same locality. Human Rights Watch has simplified the definition by stating that three elements - an advance, nominal wages and lack of freedom to discontinue their work - are at the core of all bonded labour.

As against this, the reported perception of the district collector of Madurai is that a bonded labourer is "one who is in lifelong custody of the employer and a customary slave".

The TN commission also reports that district Adi Dravida welfare officers who directly dealt with the subject conceived a bonded labourer as a slave bound in chains all the time and hence confidently reported that their district was free of this evil. The district commissioner of Madurai has further stated that "the Act is practically wrong" and if the giving of an advance to ensure that a person works for a project at less than minimum wages was considered bonded labour, then half of Madurai's workers were indeed bonded labourers (*Indian Express*, 20 February '96).

While many district commissioners are unaware of the definition of bonded labour as given in the Act itself, fewer even have ever heard of the apex court's judgement in the Asiad case (1983)

which gave a new dimension to the definition of bonded labour. Justice Bhagwati ruled: "The word 'force' must include not only physical or legal force but also force arising from the compulsion of economic circumstances which leaves no choice of alternatives to a person in want and compels him to provide labour or service even though the remuneration received for it is less than the minimum wage". The implication is that any labour or service for less than minimum wages - that is, even without an element of advance, loan or debt - is bonded labour under Article 23. Almost all unorganised workers in the country, who constitute about 90 per cent of the workforce, are bonded labourers as per this judgement since few among them ever receive minimum wages. The district commissioners whose attention is drawn to this judgement, dismiss it as 'unrealistic' and unimplementable until and unless the government has the resources to rehabilitate all those denied minimum wages in this country. There is no doubt that the hopes evoked by this judgement among the unorganised in this country will remain mirages for some time to come. The Madurai DC also seems to have expressed the common feelings of many other DCs when he said, "we must realise that these workers are getting some employment at least during these difficult times, in an employers' market". But whether the law of the land can be brushed aside so casually and whether this country can really not afford to meet even the bare subsistence needs of those who are the "least among the last" when scams

involving crores of rupees are brought to light every day is entirely debatable.

Not only are the legally valid definitions of bonded labour not at all applied when identifying cases of bonded labour, there is non-enforcement of almost all other provisions of the Act as well. Vigilance committees which are to be set up mandatorily under the Act and which are the key instruments in conducting surveys, rehabilitating identified bonded labourers and in monitoring the

Poverty is only one of many factors at play in creating and sustaining the conditions that facilitate endemic bondage. (Bonded labour) is a convenient (arrangement) for the lucky top layers of privilege. Those who have the power to change this...are uninterested in doing so.



On brick kilns and construction sites, young lives are tethered to work and bondage.

effective enforcement of the Act have simply not been constituted in most districts, according to HRW, and if they are, they do not function effectively. Mandatory reports on statistics of bonded labour are unreliable and even faulty. There are at least three examples where states have reported that the number of bonded labourers rehabilitated is greater than the number identified. There is widespread corruption in the dispersal of rehabilitation funds. A survey of 180 rehabilitated bonded labourers in Bihar revealed that 120 had never been bonded. At the same time, much of the money, about 62 per cent as reported in 1996, meant for rehabilitation had not been utilised by the states. HRW says it was unable to obtain any statistics on prosecutions under the BLSA Act after 1988. Up to 1988, there had been 7,000 prosecutions of which 700 had resulted in conviction. Eight cases were filed in 1995 by the North Arcot District Collector, for the first time under the Act in Tamil Nadu, but the agents spent only one day in jail and were fined Rs 500 each.

Those released very often relapse into bondage possibly due to the long delays in dispersing rehabilitation monies. The government has no means of checking the veracity of reports or the effectiveness of enforcement. While the bonded labourers are mostly poor, illiterate and from the lower castes, bond masters, officials and even vigilance committee members are

etc.

Apart from these measures to strictly enforce the law, steps to address the causes which give rise to endemic bondage also need to be taken. Fr Prasad of Jeevika recommends land reforms, implementation of minimum wages in rural areas and their revision every two years, effective implementation of an Employment Guarantee Act, loans for consumption without security and the distribution of surplus lands.

The National Commission on Rural Labour further recommends improvement of infrastructure in the districts with concentration of bonded labour; support for self-employment through institutional credit, provision of raw materials, marketing, training in skills, etc; holding of rural labour camps for awareness generation among bonded labourers; identification, release and rehabilitation to be simultaneous activities without time-lags; increase in the rehabilitation grant from the current Rs 6250; land-based rehabilitation to include inputs for development of land; rehabilitation to be done through cooperatives of organised groups of bonded labourers; involvement of local bodies, etc.

HRW states, "... it is time for India's new government to accept responsibility for the slavery in its midst, to admit that it is not inevitable, and to end it". □

rich, educated and from the higher castes, having links with one another. Officials themselves often come from or are related to land-owning classes who practise bonded labour. Hence it is not surprising that bond masters are able to get away with intimidation, harassment threats and violence against bonded labourers with the active collusion of the police and officials whenever the victims attempt to organise themselves.

HRW makes the following recommendations to the Indian government while calling upon international bodies and the world community to step up pressure on the Indian government to comply with them: Pressure states and districts to constitute an oversee bonded labour vigilance committees and include NGOs and social workers on them; provide in-depth training to district officials charged with enforcing the Act; establish an independent monitoring authority at state and national level to oversee enforcement; involve the SC/ST Commission in identification, release and rehabilitation; establish and make public a master list of all those released and rehabilitated and also of those prosecuted under the Act and the nature of sentences given; condition all entitlements, subsidies, tax rebates, etc, to industries employing bonded labour on compliance with the BLSA Act; add additional punishments for violators, including forfeiture of operating licences, seizure of manufacturing equipment, etc; increase fines and pay these to victims as compensation

# *State of Education in the Globalised Marketplace*

MUCHKUND DUBEY

*The following is based on the address delivered by the author, a former Foreign Secretary (who is currently the Director, Centre for Social Development, New Delhi), as the chief guest at the Twentyninth Annual Convocation of the University of North Bengal (Raja Rammohunpur, West Bengal, March 15, 1997).*

I thought in a gathering of teachers and students in a university, the most appropriate subject to talk about would be the present state of education in India. It would not be an exaggeration to assert that the educational system in India is in a very bad shape today. With the exception of some of the South Asian countries, India has the highest rate of illiteracy in the world. It is estimated that at the turn of this century, over 90 per cent of the world's illiterates would be living in the Indian subcontinent; and most of them in India. This is in spite of the fact that Article 45 of the Indian Constitution provides that

the State shall endeavour to provide within a period of ten years from the commencement of the Constitution, for free and compulsory education for all children until they attain the age of fourteen years.

That 10 years period was over in 1960. And yet 37 years after that, more than 90 million children of school-going age in India are not going to any school.

Article 46 of the Constitution of India provides: The State shall promote with special care the educational... interests of weaker sections of the people, and, in particular, of the Scheduled Castes and the Scheduled Tribes....

In spite of this obligation assumed by the state, there is little evidence of the equalisation of the educational opportunity in our grossly unequal society. In fact, the gap in the educational opportunity is widening. The highest incidence of illiteracy is still among these weaker sections of the society. Women and the girls have the least educational opportunities in India. There cannot be any hope for achieving an egalitarian educational structure in India unless vastly expanded and improved educational opportunities are provided for these groups. In his article published in one of the recent issues of the *Economic and Political Weekly*, Myron Weiner writes:

Deep class/caste divisions have been barriers to the development of a national drive for mass education by those who have made it to the upper strata. It will take a

major coalition of locally-based groups, active participation of media, the contributions of researchers, the support of investors, educators, social activists and trade unions... to get India to address the way it treats the children of the poor.

As the government does not have the resources to provide schools for all those who need to be educated, private schools are mushrooming all over the country. They generally cater to the needs of the children of the well-to-do parents, with English/non-English distinction coinciding with the private/public management. This divided system of education deepens the malaise of an already divided society. Since even the relatively less affluent parents, in a bid to provide the best possible education to their children, resort to these English medium private schools which charge higher fees, this leads to the further impoverishment of the lower middle class in the country. In the general atmosphere of corruption, proclivity to make easy money and absence of any effective quality control mechanism, most of these private schools have poor academic standards and are opened mainly for spinning quick money. This involves a colossal waste of national resources for education.

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THERE has been a rapid growth and wide diversity of institutions for education at all levels. The diversity reflects differences in incomes and wealth, proliferation of disciplines and diversification of market and industrial requirements. The educational system now includes a number of educational institutions which offer quality education. But the quality of the system as a whole has gone down because of the decline in the standards of old institutions which were the bulwark of the system and centres of excellence.

The quality of education in universities has declined sharply. The single most important factor

for this decline is the paucity of funds, which has resulted in poor maintenance, shabby appearance, decay in the infrastructure like the laboratories, class rooms, auditoria, public services, etc and very inadequate investment in books, journals, equipment and teaching aids.

The universities have also come to reflect, in the acutest forms, the general distortions and tensions in the society. Strikes, walkouts and gheraos have become endemic, seriously impeding teaching. In some universities, examinations have fallen two-three years behind, thus putting the students of the university at a great disadvantage in seeking admissions to higher classes in other universities or taking competitive examinations for succeeding in the job market. The criminalisation of politics is now extended to universities and some of the universities have become the den of criminals.

A sense of all-pervasive purposelessness stalks many of our universities. Education in these universities neither endows the students with discriminating ability, nor unlocks for them the mysteries of nature and life, nor enables them to cope with the complexity of modern world, nor provides to the vast majority of them job opportunities. The university education has thus become a charade which the bulk of the students, who can afford it, go through hoping that some miracle of a job opportunity will come their way.

The universities are no longer the fountainhead of research breakthroughs in India. The really serious research work now takes place in the privately or otherwise specially-financed institutions. Unlike the universities, they are built on a narrow base. This has resulted in the general weakening of the research infrastructure in the country. It is, therefore, not surprising that the research base of the Indian economy is very weak in international comparison.

The reason for the vast number of the educated unemployed is clearly the excess of supply over demand. Our economy is simply not expanding fast enough to absorb all the graduates and post-graduates that our academic institutions are churning out. To some extent, there is also a mismatch of supply and demand. We are not training the kind of people who are required by the industry. A proper manpower planning and the calibration of the educational facilities to such a plan can no doubt mitigate the problem of educated unemployment. But in the ultimate analysis, the real answer to the problem will be found only by sustaining a dynamic economy over an extended period of time and consciously working for imparting employment

orientation to the development strategy.

It is no longer true that students in India go for higher education as a status symbol. That was the case when BAs and MAs were very few in number. Now there is hardly any status symbol attached to these degrees. If a survey is taken, it would be demonstrated that if diversion to vocational and technical training can guarantee jobs, then vast number of students would opt for such training before reaching the higher secondary or university levels. Only a small percentage of the high school graduates will opt for higher education. Besides these days higher education even in the specialised fields, like engineering, carry no job guarantee. That is the main reason why an increasing number of engineers try to compete—and indeed succeed in competing—for civil service jobs. And a large number of students go in for general degrees because they know that if they are going to remain unemployed even as engineers, then why should they not remain unemployed as BAs and MAs, particularly as these degrees are less rigorous and expensive. Thus the excess of supply over demand among university graduates and post-graduates persists not due to the pursuit of status symbol, but because the economy is not dynamic enough and society not organised enough to mop up the excess.

THERE is a global consensus on the key role of education in society. It is now universally recognised that education is both the means as well as the end result of development. It is one of the basic needs of the people and their human right. Article 41 of the Indian Constitution enjoins upon the State to "make effective provision for ensuring the rights.....to education". And, finally, education is by far the most powerful instrument for the empowerment of the people.

There is a Sanskrit saying: "It is knowledge alone that liberates." The motto in Farsi is: "Everyone who is wise is also the one who is strong."

Literacy or the knowledge of the three Rs is the first essential tool for empowerment. For it opens up wide avenues of knowledge. And knowledge alone has the capacity to empower. In Satyajit Ray's famous film *Hirak Rajar Deshe*, the Minister advises the King:

মনি পড়ে তবে জানে

মনি জানে তবে মানে না

If someone reads, he knows

If he knows, he does not obey.

The Total Literacy Campaign designed to spread literacy was a unique experiment launched in India in 1988-89. This venture entirely under the public sector depends on total mobilisation of the people to achieve its goals.

Though it is far from realising its objective of total literacy and the Campaign has had its ups and downs, it has proved to be a very effective entry point for the mobilisation of people, particularly women, for serving wider purposes of social equality, human rights, gainful employment, etc. A remarkable achievement of the Campaign has been its transformation into a movement for fulfilling wider aspirations of women in India.

Drawing inspiration from messages in post-literacy literature, the Campaign led to the anti-arrak movement in Andhra Pradesh and the movements for women's credit cooperatives and employment generation elsewhere in the country. In Midnapur, surveys have shown that the vast majority of the neo-literates have been able to achieve considerably high levels of political and social consciousness and scientific temper, particularly among women.

This shows that literacy as merely a knowledge of the three Rs is not enough. It is the post-literacy effort to promote self-reliance, expose social evils and inculcate human rights and gender sensitivity that triggered movements for empowerment.

For the empowerment of the Scheduled Castes, Scheduled Tribes and Other Backward Classes, it will be necessary to go beyond literacy and assist them in acquiring university degrees which can ensure for them access to government jobs, public positions and professional services. Thus for these weaker sections, higher education of both general and specialised varieties becomes an instrument of empowerment.

Emphasising the development function of education, Gunnar Myrdal had stated in his *Asian Drama*:

.....in almost every respect, a correlation exists between education deficiencies and a low economic level; deficiencies are the largest and most prevalent in the poorer countries.

Gunnar Myrdal then refers to a UN report which says:

We can assume that it is virtually impossible to spend too much on education, provided it is efficiently programmed....

Mass literacy provides the mass human resources base to ensure the success of a development strategy irrespective of whether it is state-controlled or a market oriented one. Mass human resource base is essential to create the literacy labour force necessary for a competitive economy. India has unfortunately a long way to go to build a mass human resource

base without which its present market-oriented development strategy is unlikely to succeed. Education is the most important factor facilitating labour mobility, and labour mobility is essential for the operation of free market forces.

EDUCATION has suffered badly under the World Bank/IMF imposed structural adjustment programmes. This has been the experience of almost all the countries which have implemented these programmes. And India is no exception to it.

In India, there was a severer retrenchment in the education sector during the first two years of the structural adjustment programme. This resulted in a severe cutback on research activities and a more rapid decay of the infrastructure for education. Though resources for education were partly restored subsequently, they are nowhere near the optimum level.

In Africa, retrenchment under the structural adjustment programmes led to a substantial erosion of the tremendous gains made in the educational field in the immediate post-independent period. The level reached during that period is yet to be restored because in most of the African countries the SAPs have proved a failure and economic recovery is yet to take place. This is one of the principal reasons why Africa has been described as the wasteland of liberalisation.

As a part of the liberalisation policy, it has been suggested that education should be progressively privatised and that access to it should be made subject to the payment of appropriate prices. The government is, therefore, encouraging the establishment of a larger number of private schools, private research institutions and even private universities. Universities are being encouraged to earn money by taking up projects including those from the private sector and foreign institutions and they are given the incentive of a matching grant for the money they thus earn. In the process, they are being starved of funds for carrying out normal educational activities. Established institutions are being bypassed with the government patronising new institutions set up with private funds. As a result, the traditional educational structure on which vast amount of resources have been invested over a long period of time is enfeebled and going out of use. This is a social wastage of a colossal dimension. Its inevitable consequence is the narrowing down of the human resource base.

Very few departments and centres of universities

hold out an appeal to the market forces. The result is that the vast majority of the departments and centres are discriminated because they are not eligible for matching grants. Links with outside agencies with a view to earning money, brings the universities under the influence of foreign foundations, think-tanks and research establishments which have their own axe to grind. This can have even adverse security implications.

The fact is that the market forces cannot play much of a useful role in the field of education. For, a vast number of our people are outside the pale of the market forces. And the greatest challenge of our education policy is to take education to these people. This challenge can be met only if they can have access to quality education free of charge. As a matter of fact, because of their economic disabilities which prevents them from incurring any expenditure whatsoever on children's education and which obliges them to keep their children at home to attend to household and other income earning chores, it is necessary to provide them with incentives like mid-day meals, free supplies of textbooks, learning material, uniforms, etc. and exemption from admission and miscellaneous fees.

Market forces will not go to the wide and very crucial areas of education where there is no return on investment. This includes basic research and the entire sector of elementary and primary education which will have to be provided free of cost. Of course, finances from the private sector, particularly from charitable institutions, should be welcome. But the ultimate responsibility of ensuring the funding of running the educational system in these areas must rest with the government.

The private sector cannot provide public good like education. Nor can it become an instrument of organic and fundamental social transformation which is a principal purpose of education. The motive which drives the private sector is profit and not wider social purposes.

That mass education should be provided by the state was never a controversial subject in the Western countries. Almost all these countries still provide compulsory and free elementary, primary and even secondary and higher secondary education. In some of them which are the brightest examples of the effective operation of free market forces, even university education is highly subsidised.

THE irony is that the package in which liberalisation

is recommended by the IMF and World Bank to the developing countries, is nowhere practised is the Western countries. In all these countries competition is not allowed to come to the defence and several sectors of the education marketplace. Their social service and social security system is regarded as the hallmark of the Western civilisation. There is nothing even remotely comparable to it in any of the developing countries. The question may be asked: why in spite of this, they are putting pressure on the developing countries to liberalise indiscriminately? The answer clearly lies in their ruthless pursuit of economic self-interest. They clearly want to pave the ground for an ever-increasing intrusion of all the sectors of the economies of the developing countries, by their transnational corporations. And in this effort, they are coopting the elites of our society. Specialised private sector academic institutions and lure of projects by foreign agencies are instruments of such cooption.

Several of the new regimes under the WTO are also designed to serve the same purpose. Some of them have far-reaching implications for education. Education services are in principle covered by the General Agreement of Trade in Services (GATS). It is very likely that the developed countries would in the very near future ask for negotiations for liberalising educational services. In the negotiations, they will demand introduction of price mechanism in the education sector, and opening up the sector for competition by the private sector, including their own private companies. On the other hand, our trained manpower continue to be denied entry into the markets of the developed countries. This was clearly demonstrated in the negotiations on the movement of natural persons concluded in 1995. The offers by the developed countries for entry of our professionals into their markets was minimal and circumscribed by all kinds of conditions and restrictions. Thus in an area where we have clear competitive advantage, we are not allowed to integrate with the global economy. Globalisation of educated labour services stops at the border of the developed countries.

The Agreement on the Trade Related Intellectual Property Rights (TRIPS) would have the effect of freezing the present level and pattern of technological development in the developing countries. The TRIPS regime is designed to ensure that major innovations in science and technology take place in the developed countries which would also produce the goods and services based on such technologies, and the

developing countries would provide markets for such products. By the year 2005, the introduction of product patents in areas where only process patents are granted in India, will throw out of job thousands of scientists and technicians in units established in sectors where process patents alone are granted at present. In the long run, such provision in the TRIPS Agreement, as virtually no provision for compulsory licensing, imports of patented products being as good as the working of the patents, etc. will seriously impede the development of technology in the country.

The various regimes established by the developed countries to control the export of dual purpose technologies, substances and equipment ostensibly in order to prevent the proliferation of weapons of mass destruction, and some of the environmental regimes which have either been set up or are likely to be set up, will have the same effect of restricting the development of technology in the developing countries.

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WHAT then should a developing country like India do in these circumstances? First all, there is no reason for us, either in terms of legal obligations or going by what the developed countries are themselves doing, to go in blindfolded for globalisation and liberalisation. We should integrate with the global economy at the axes of our choice and not indiscriminately in all areas. This is precisely what China is doing.

Secondly, we should adopt a mission approach for developing frontier, key and sensitive technologies. This may involve partial delinking with the world economy. We should provide for all the resources and protection that are needed to achieve the desired results in these areas.

Thirdly, there can be no denying the role of the state in the areas of education, infrastructure and science and technology. The state should, therefore, assume full responsibility for fulfilling the constitutional obligations in the field of education. As a first step, the already declared policy of spending six per cent of GNP per annum on education should be implemented without delay.

But as the Total Literacy Campaign has demonstrated, the government's effort alone will not suffice. The government's indispensable role must be supplemented by the effort of the civil society—that of the voluntary agencies and, above all, the univer-

sities and schools. Reliance would need to be placed on the existing massive structure of education in the public sector, that is, the vast number of schools, colleges and universities funded, supported and run by the government. Any policy of discriminating against them, coercing them to earn money for what they do and bypassing them will run contrary to our avowed purpose in the field of education.

In our tradition, the purpose of education has been regarded as inculcation of basic values among the students. Today, the values that are on ascendency in the campuses are those of greed, money-making by any means, display of material possession and pursuit of the Western consumption pattern.

In some of the private schools run by religious denominations of various kinds, a different set of value system is pursued which is equally pernicious for a pluralistic society like India. These are the values of religious fundamentalism, communal intolerance and false chauvinism.

The crying need of the hour is the inculcation among students right from their early childhood, of values which constitute the very core of the Indian ethos and which are duly and amply reflected in our Constitution. These are the values of human love and brotherhood, compassion, tolerance and the basic unity of the humankind—the values which Gandhiji summed up as truth and non-violence.

Swami Vivekananda said: "Education is the manifestation of perfection already in man" and its ultimate mission is "man-making". True knowledge opens the door to the divine. The purpose of education is not merely to collect and cram information. Swamiji had further said:

If education were identical with information, the libraries would be the greatest sages in the world and encyclopedias the rishis.

To this list should now be added the computers and the internet.

I would like to conclude in a nostalgic note. When I was growing up as a student, people used to approach education with a sense of reverence. Parents used to miss their meals to send their children to schools. Teachers were highly respected. Books were regarded as the abode of Saraswati, the Goddess of learning. As soon as we used to get a book we immediately used to put a cover on it and treasure it as a valuable possession. I remember having walked several miles to get a book from a student who had graduated from the class I was to enter into. What we need today is to revive the same spirit of reverence towards education. ■

# Political Economy of State Intervention in Food Economy

Utsa Patnaik

*Food security has been undermined with the introduction of an 'exports first' policy regime from mid-1991. which has led to the predictable decline in per capita food production. The proposed removal of quantitative restrictions on agricultural imports will further hasten the undermining of our food security. The heavy subsidies that advanced countries give to their producers means that Indian farmers will face grossly unfair competition as imports are allowed. The ability of the agricultural sector to finance increasing food imports through agro-export earnings is dubious given the existing and projected trends of prices of cereals relatively to non-cereal agro-export commodities.*

FROM mid-1991 to mid-1997, trade liberalisation and agro-export promotion under the structural adjustment programmes the country has been following, has led to a marked speeding up of shifts in the national cropping pattern with varying regional incidence. Total area under foodgrains has been falling, and food output growth decelerating to below the rate of population growth. (The trend of displacement of foodgrains by export crops was anticipated in Patnaik 1993 on the basis of the experience of other developing countries under SAP in the 1980s; and some recent data on area and output changes for India were discussed in Patnaik 1996).

From mid-1997 however a new phase is beginning as, under pressure from the WTO, the government has reportedly already agreed to give up quantitative restrictions on imports and undertake tariffication. Removal of QRs will apply not only to manufactures but also to the agricultural sector which will be opened up for the first time to imports from foreign countries.

This paper argues in the first section that the period up to 1991 represented a 'food first' set of policies leading to a rise in per capita food availability for the population; and that despite numerous drawbacks, the public distribution system did provide even if not to an adequate extent, access to basic food for important segments of the population in poverty.

In the second section we argue that food security has been undermined with the substitution of an 'exports first' policy regime from mid-1991, which has led to predictable decline in per capita food production. The proposed removal of quantitative restrictions on agricultural imports will speed up further the undermining of our food security, which has already taken place to some extent. Advanced countries which have a rigid and limited agro-output vector, seek markets for surplus cereals in developing countries. The heavy subsidies they give to their producers and which they will continue to give in future, means that Indian farmers will face grossly unfair competition as imports are allowed. The ability of the agricultural sector

to finance increasing food imports through agro-export earnings however is dubious given the existing and projected trends of prices of cereals relative to non-cereal agro-export commodities.

## I Food Security in Era of 'Food First' Policies, 1950-90

In the first decade after Indian independence 1950-60, the foodgrains sector performed well, growing at a compound rate of 3.3 per cent annually or 30 times the annual rate for the half century before decolonisation. A grow-more-food campaign, large state irrigation investment, and the enthusiasm released by the promise and inception of land reforms all contributed. In the 1960s however a food crisis emerged, which was a crisis of growth as opposed to earlier crises of stagnation; purchasing power was expanding faster (owing to the multiplier effects of rising state expenditures) than food supply could, as land reforms were aborted and easy irrigation avenues were used up.

In the face of sharply rising food prices from the early 1960s the Congress government started from 1965 a system of public procurement and distribution of foodgrains at the same time that it pushed the HYV-fertiliser technology in irrigated areas. The Agricultural Prices Commission was set up to determine the prices at which the major foodgrains – wheat, rice, the coarse cereals – would be purchased from farmers with the understanding that the state would buy all that was offered at the announced prices which would function as minimum support prices. There were two tiers of procurement – by the central government through the Food Corporation of India which was set up for this purpose; and by the state governments under various schemes some of which used traders and millers of grain as procuring agents. A chain of Fair Price Shops was set up to distribute procured grain to final consumers at issue prices which were lower than the sum of purchase price plus storage, transport and handling costs, the difference between the two being met through a central

food subsidy which on average was about 10-12 percent of the final price through most of the next 25 years.

The success of such a system obviously depended on the extent to which large enough production increases could be obtained to allow both a slowly rising rate of consumption in rural areas, as well as increased commoditised output for the rest of the economy. The wheat revolution up to the mid-1970s in north India particularly in Punjab, followed by the growing of rice as an entirely commercial crop in the same region, provided the basis for the growing intervention of the state in the food economy. As Table I shows Punjab saw a 134 per cent rise in food output per capita by the end-1980s and the northern region as a whole a 64 per cent rise in this variable compared to stagnation or decline in all other states and regions in India (except West Bengal which started registering good growth from the mid-1980s). Decline was particularly marked in the west-central and southern region.

North India thus emerged as the crucial surplus-foodgrains region which supplied the bulk of centrally-procured food stocks which were then allocated at subsidised prices to the mainly urban areas and food-deficit states, in a highly uneven manner no doubt but nevertheless helping in some measure to counter the strong tendencies towards increasing regional and class differences in consumption. For the very success of green revolution in north India raised rural incomes faster there, and the aborting of land reforms meant that the gains of growth everywhere accrued largely to an emerging class of capitalist farmers, leaving behind the mass of peasants unable to finance the transition to the new technology, whose relative income position worsened. The socially narrowly-based and capitalist nature of the investment also meant that the positive employment effects were much smaller than were initially expected as the capitalist farmers growing two or more crops found it paying to mechanise operations.

- The colonial trend of overall decline in per head food availability was reversed and a modest 17 per cent rise was achieved for

India by 1990 compared to 1950. The total rise of around one-sixth still has not fully recaptured the ground lost with the decline between 1900 and 1947 by 25 per cent. But as we have seen overall rising availability was almost entirely on account of the output performance in north India, and the fact that surplus-producing farmers in Punjab, Uttar Pradesh and Haryana sold to the government agencies and did not export, was crucial to its ability to supply deficit states and keep the cities provisioned. By the late 1980s, over 90 per cent of wheat procurement by all agencies was from north India and over 66 per cent of rice procurement was also from this region, with Andhra Pradesh providing another 11 percent and the balance being distributed over a number of states. The traditional rice-growing areas located in the coastal river deltas did not supply most of the rice procured because rice is the staple food in these areas with the bulk of output being retained by producers and paid out as kind wages to labour while only a third or so enters the market. In Punjab on the other hand 99 per cent of the rice crop is sold.

Punjab in particular and north India generally thus have come to constitute the exclusive supply source for the PDS as regards wheat and is the major source for rice. This regional concentration has played an implicit role in the impermissibility of minority secessionism in Punjab for this would be tantamount to a break-up of the Indian union as an economic entity. It is paradoxical that having successfully fought the terrorist secessionist movement in Punjab the central government is now adopting an extremely dangerous policy of freeing food exports under the current trade liberalisation. Opening to the world market can destroy the Indian food security system such as it is in a few years, which the terrorist movement in Punjab has not managed to do in over a decade.

A6  
It was argued by a former chairman of the Agricultural Prices Commission, Ashok Mitra in an influential book (*Terms of Trade and Class Relations*) that the big wheat farmers of north India exerted a disproportionate influence on the APC for escalating prices of procurement, (which were not justified by the production increases they elicited), such that they pocketed a large differential rent. It is certainly true that consumers' interests were so undermined by rapid food price inflation during 1973-75 that a strong anti-government popular movement developed led by the ailing Gandhian leader Jayaprakash Narain, who was arrested as were opposition and left activists under the political emergency clamped down from June 1975. Although with the passage of fairly draconian acts at the same time to control hoarding and profiteering the rate of food price inflation came down fast in the

next two years, the Indian people showed that they did not want inflation control at the cost of political repression, by voting out the Congress from government in the 1978 polls so that for the first time in the history of independent India, a non-Congress coalition government came into existence albeit briefly.

After the political crisis of the 1970s, up to 1990 the PDS was expanded in terms of the volume of grain it handled and the coverage of the population. The unrest leading to the emergency had underscored the inflation-sensitivity of the Indian urban lower-income population in particular and the PDS was seen now as playing a politically stabilising role by allowing the poor and the lower middle classes to access affordable basic food for at least a part of their requirements. It is clear from the evaluation studies carried out of the working of the PDS by independent academics that the ration scale and utilisation varied widely and that apart from four states (Kerala, West Bengal and Tripura, all bastions of the Left, and the politically sensitive mountainous border state of Jammu and Kashmir), the role of the PDS in meeting total consumer requirements up to the 1980s appears to have been quite small (Table 2). However looking at ration utilisation in isolation can be quite misleading, for the very fact of the existence of the PDS had a moderating effect on the level and fluctuations in the open market prices at which the remaining food was bought.

The main criticism up to the 1980s was that the PDS had a strong urban bias and that over three-fifths of fair-price shops were located in urban areas and their periphery (except in three states two of which were traditionally food-deficit and where Left Front governments led by the Communists had ruled for more or less continuous periods). Certainly there was no correlation between

TABLE 2: RATION SCALE AND UTILISATION

Region/State	Grain Offtake Per Cent Ration Kg Per Head (2) to (1) Per Month
North and North-West	
Haryana	12.0 • 0.95 7.9
Punjab	13.0 1.33 10.2
Uttar Pradesh	16.0 0.71 4.4
Himachal	9.0 1.43 15.9
Jammu and Kashmir	8.0 3.84 48.0
East	
Assam	8.0 2.24 28.0
Bihar	8.0 0.83 10.4
Orissa	5.0 1.18 23.6
West Bengal	4.0 3.85 96.3
South	
Andhra Pradesh	10.0 1.22 12.2
Karnataka	7.0 1.44 20.6
Kerala	13.2 4.15 31.4
Tamil Nadu	7.0 0.49 9.70
West Central	
Gujarat	10.0 0.97 9.7
Maharashtra	15.0 2.00 13.3
Madhya Pradesh	12.0 0.75 6.3
Rajasthan	7.5 0.40 5.3

Source: Adapted from Kabra et al 1992, p 57.

TABLE 1: STATE AND REGION FOODGRAINS OUTPUT PER CAPITA\*, 1961-86

Region/State	1960-62 (1)	1972-74 (2)	1984-86 (3)	Per Cent Change (3)-(2)/(2)
North and North West				
Haryana and Punjab	313.5	454.0	734.9	134.4
Uttar Pradesh	184.5	176.9	242.8	31.6
Jammu and Kashmir, Himachal	113.9	222.1	212.4	86.5
Average	204.6	234.7	337.2	64.8
East				
Assam	145.4	137.9	121.1	-16.7
Bihar	158.6	140.0	136.9	-13.7
Orissa	225.1	200.1	217.1	-3.5
West Bengal	147.5	151.0	154.6	4.8
Average	162.2	152.9	152.9	-5.7
South				
Andhra Pradesh	180.8	175.3	161.5	-10.7
Karnataka	161.6	185.0	154.3	-4.5
Kerala	61.9	58.9	43.6	-29.6
Tamil Nadu	160.9	146.6	134.1	-16.7
Average	152.3	150.4	133.9	-12.1
West-Central				
Gujarat	103.5	95.2	95.5	-7.7
Madhya Pradesh	273.9	231.4	237.2	-13.4
Maharashtra	165.0	110.0	120.7	-26.8
Rajasthan	242.1	199.8	180.4	-25.5
Average	198.6	158.3	160.3	-19.3
All Regions	178.9	172.0	192.1	7.4

\* (Annual average for selected triennial periods in kg per head of regional population).

Source: Calculated from time-series in *Area and Output of Principal Crops in India* for output, *Census of India* for population. The hill states of north-east India have been excluded as their data are not complete and their share in total food output is very small.

the statewise variation in the level of poverty and the allocation of food supplies through the PDS. Whether the PDS had comprehensive coverage and worked well or not depended on the commitment of the state governments concerned. On the other hand rural labourers, poor peasants and the urban unorganised workers too, especially in the non-Left states, badly needed food security given the regime of inflation which was eroding their already low real incomes. A number of non-Congress governments formed by regional political parties which came to power in the September 1989 and May 1991 elections in the individual states started providing additional subsidy out of their state budgets to extend the PDS to the poorest segments of the population through schemes providing grains at a lower price than the central consumer issue price, or extended the coverage of rural populations by fair price shops. These included the states of Tamil Nadu which had a midday meal scheme for school children, Andhra Pradesh (which introduced the hugely popular Rs 2 per kg rice scheme) and more recently Gujarat. There was no targeting in terms of restricting access to the PDS to specific income groups for this would be administratively costly and unworkable: a great deal of automatic screening out takes place because the well-to-do prefer to buy better quality grain from the open market and allow their ration cards to be used by their poorer employees and domestic servants. Per head utilisation by the poor of the PDS was therefore somewhat higher than the nominal figures indicate.

Up to mid-1991 national policy was thus geared to achieving higher food consumption levels for the poorer segment of the domestic population, and agricultural products could only be exported subject to specific clearances. India was a net importer of foodgrains to a declining extent up to the early 1980s after which in several years a small net export emerged. The weight of government's intervention in the food economy grew over time until by the late 1980s it was procuring 16 to 17 mt or over one-tenth of the total cereals output, and maintaining buffer stocks of grains of up to 25-28 mn tonnes or over a sixth of annual gross grain output. Since existing estimates of the marketed part of grain output is nearly 40 per cent, government was handling about two-fifths of the commoditised grain and private traders the remainder.

With up to two-fifths of market supplies being bought by government under this dual purchase and prices system, it played a major role in determining the socially acceptable rate of inflation since the open market prices of foodgrains rose in tandem with government procurement prices. Tendencies to hoard by traders in expectation of inflation in bad

harvest years and unacceptable open market price rise, were to be countered in principle by the release of stocks while the possibility of any sharp fall in price which might adversely affect the producers was in principle to be countered by unlimited purchase at the minimum support price. By and large double digit rates of food price inflation came to be considered excessive and efforts were made to keep within this limit. A balancing act had to be carried out every year by the Agricultural Prices Commission between the interests of producers and those of consumers bearing in mind the specific year to year variations in the production and supply situation.

The conflicting interests of food producers and those of consumers with respect to prices, is far from being identical with the rural-urban division in India. The majority of the rural population itself purchases foodgrains from the market. The rural labourers alone are two-fifths of total rural working population and to this we have to add the poorer peasants, artisans, tertiary sector workers, and those in the livestock and forestry sectors, all of whom are net food purchasers. Large numbers of small cultivators eking out a bare subsistence are specialised in growing cash crops like cotton or tobacco on contracts and they too are adversely affected by food price rise. Tribal populations' share in the rural population in poverty, is about double their share in the total rural population and they are highly vulnerable to inflation. Altogether, fully 60 per cent to 65 per cent of the rural population itself loses out from food price inflation and stands to benefit from the extension of the PDS to rural and tribal areas, quite apart from the urban workers a small part of which at least is better off in having indexation of earnings to inflation. Improvement in the agriculture-manufacturing barter terms of trade for agriculture, affects adversely the majority of the rural population who are net buyers; deterioration in the terms of trade affects adversely the producers who are net sellers, and through decline in their incomes also affects the groups providing services and goods to the producers.

Stability in prices received, with low amplitude of fluctuations, is very important for crop producers, especially for the poor among them, because sharp downward fluctuation does not play a symmetrical role compared to equally sharp upward fluctuation: the former can induce debt or loss of assets such that the advantages of the latter cannot be reaped subsequently. The internal agriculture-manufacturing barter terms of trade received by Indian agricultural producers in the 1960s shows relatively steady improvement compared to world terms of trade which declined and had a high amplitude of fluctuations. Owing to the 'food first'

policies and limited external trade in farm products, Indian producers may not have reaped any benefits from the upswing in world commodity prices of the 1970s, on the other hand they were not subjected either to the disastrous decline in primary product prices and of the international terms of trade which has been faced by export-oriented developing countries all through the 1980s and which continues into the 1990s. This has affected the export-oriented sub-Saharan African economies so adversely by way of decline in per head food output that many are facing pre-famine conjunctures. With trade liberalisation in agriculture and increasing export orientation, Indian producers too are now going to be increasingly vulnerable to international price declines.

How may we evaluate the question of achieving food security through public intervention, looking at the Indian experience from 1965 to 1990? First we have to realise, of course, that despite solving the food output growth problem to some extent and increasing average availability, the unequal distribution of this gain and the persistence of both severe chronic undernutrition and periodic starvation among particular segments, arise from the basic features of unacceptably high levels of unemployment and of poverty. These remain owing to the strategy of growth followed, viz., without a redistributive land reform and relying on a thin stratum of capitalist farmers to deliver the goods. Over two-thirds of the poor are in rural areas and over half of these in turn are scheduled castes and tribes. The lack of food security for the poor arises from their insufficiency of purchasing power, and any rational strategy of ensuring food security would necessarily involve tackling the problem from both the demand and the supply side: putting purchasing power in their hands through programmes generating productive employment and incomes, preferably of such a nature as to create badly needed rural assets, on the one hand, and extending the coverage of the ration shops on the other so that they can access necessities at affordable prices.

Where income distribution remains so highly skewed and such a high share of the population remains in poverty, letting the market do the job of distribution is tantamount to condemning the poor to starvation, because they cannot ever hope to compete in purchasing power, expressing itself in market effective demand, with the well-to-do top 15 per cent of the population, who monopolise anything between 65 to 70 percent of national income (depending on the estimated size of the black economy) and whose pattern of consumption will largely determine cropping patterns and land use. The changing consumption pattern of the well-to-do is increasingly geared the world over, and the Indian elite is no exception, to demanding

animal proteins-based foods which as we know are highly land and grain intensive. China with its much better food security system than India, is already facing problems because its internal income inequalities are increasing under Dengist policies, the per capita consumption of animal proteins has quadrupled in five years involving a huge and increasing draft for feed on existing stagnating grain output, reducing thereby basic foodgrain availability for that segment of its population which is losing out in terms of purchasing power.

With trade liberalisation and subsidy cuts the situation becomes much worse for the poor in countries like India, who now have to compete with their meagre dollar a day wages with the northern consumers with their 60 dollars a day income clamouring for cheap goods only tropical lands can produce. With subsidy cuts the access to affordable food falls while on the other hand open market prices in the domestic currency rise affecting the poor owing to a combination of two factors: direct export of foodgrains and a diversion of food producing land and resources to non-grain agro-exports. The employment effects of the cropping pattern shifts may well also be negative, though this requires more research. The central government itself having initiated food exports, has then to compete with the international market and raise procurement prices faster than it might otherwise to keep its shops supplied, but in that very process the poor are priced out of the ration shops. On the other hand in the longer run, dollar prices of agri-exports start falling relative to import prices as dozens of third world countries compete with each other, so the capacity to finance food imports declines.

The demand that Indian farmers should get 'world prices' for their products would make sense if Indian wage-paid workers including rural labourers, who are over ten times more numerous than urban workers, got 'world wages' for their labour in producing those products. Since they do not and will not, any demand for 'world prices' is tantamount to saying that the purchasing power and real incomes of rural labourers and other poor net food purchasers should be severely squeezed.

Furthermore, the capitalist farmers demanding 'world prices' at present do not realise that the formation of these world prices is asymmetric in nature: the cereals trade-dominated by advanced countries is characterised by monopoly and monopolistic pricing (advanced countries as a group closely monitor and co-ordinate their output and inventories while subsidising their farmers) whereas the agri-export trade in the major commodities producible in tropical and subtropical developing areas is characterised by enforced competition.

## II 'Exports First' Phase under Reform Policies

With the thrust towards agri-exports and raising of the ceilings on exports of a number of commodities, a marked impact is observed on cropping patterns, output composition and on domestic prices since 1991.

**Cropping pattern:** Even during the second half of the 1980s, there was a declining trend of coarse grains production and growth of oilseeds, largely on account of the shifting composition of domestic demand as income distribution worsened (national accounts statistics show a marked rise in the share of property income and a fall in the share of self-employed and wage-employed incomes in the 1980s: summarised in Patnaik 1994). This trend has speeded up in the reform period as agro-exports were promoted. Sown area under cereals and pulses is being displaced by oilseeds particularly oilseed processed into feed concentrate, and by other horticultural crops. Thus the gross area under the coarse grains declined by 4.8 mn ha between 1990-91 and 1995-96. The pulses area fell by 2.5 mn ha up to 1993-94 and recovered 1.7 mn ha of this in the next two years; but there is still a net loss of nearly a million hectares by 1995-96 compared to 1990-91. Area under wheat and rice has remained stagnant at between 67 and 68 mn ha in the six years after 1990-91 whereas it had registered rise in the 1980s (Table 3).

Rise in yield per unit of area has been insufficient to maintain the earlier output growth rate by compensating for the area decline of total foodgrains from 127.8 to 123.5 m ha during 1990-91 to 1995-96. There is therefore a marked slowing down of total foodgrains output growth rate in the 1990s compared to the 1980s. The average of annual growth rates from 1990-91 to 1994-95 and to 1995-96 in total foodgrains has been only 1.27 percent and 1.06 percent, respectively, or substantially less than the population growth rate, therefore there is falling per capita production of foodgrains (*Economic Survey 1995-96, 1996-97*).

The crops which have registered increase in area sown during 1995-96 over the previous year 1994-95 are in order of importance cotton, oilseeds, sugarcane and horticultural crops, totalling about 2.5 million ha increase area. Compared to 1990-91, the total area increase under all these crops has been 4.5 million ha (of which cotton and oilseed account for 1.7 and 1.8 mn ha) or about the same as the total decline in foodgrains area.

Within oilseeds the fastest growing segment has been soyabean followed by sunflower and safflower. Soyabean output has nearly doubled by 1995-96 over 1990-91, sunflower and safflower has risen by 40 per cent while other oilseeds have registered less than 10 per cent rise in output over the same period. Domestic per capita production of edible oil has risen little however and import dependence continues because nine-tenths of the fastest-growing segment, soyabean, is processed into feed concentrate for export: the export growth in

TABLE 4: REVISED MINIMUM SUPPORT PRICE  
CENTRAL ISSUE PRICE

Rice	MSP Rs	CIP Rs	Date of Increase
<b>Pre-Reform</b>			
1989-90 C	185	289	25-6-90
1990-91 C	205		
<b>Post-Reform</b>			
1991-92 C	230	377	28-12-92
1992-93 C	270	437	11-1-93
1993-94 C	310	537	1-2-94
1994-95 C	340		
1995-96 C	360		
1996-97 C	380		
<b>Wheat</b>			
1990-91	215	234	1-5-90
1991-92	225	280	28-12-91
1992-93	250+25	330	11-1-93
1993-94	305+25	402	1-2-94
1994-95	350	427	
1995-96	360		
1996-97	380		
1997-98	415+60	450	1-6-97

Sources: *Fifth Report of Standing Committee on Food, Civil Supplies and Public Distribution 1994-95; RBI Report on Currency and Finance 1995-96 Vol I; The Hindu, February 25, 1997.*

TABLE 3 AREA UNDER FOODGRAINS AND OILSEEDS

(in ha)

	Cereals	All and Rice	Wheat Grains	Coarse Pulses	Oilseeds
1989-90	103.3	65.7	38.6	23.4	22.8
1990-91	103.2	66.9	36.3	24.7	24.1
1991-92	99.3	66.0	33.3	22.5	25.9
1992-93	100.8	66.4	34.4	22.4	25.3
1993-94	100.5	67.6	32.9	22.2	26.9
1994-95	100.7	68.5	32.2	23.0	25.3
1995-96	99.5	68.0	31.5	23.9	26.3
Per. cent change 1995-96/1990-91	-3.5	1.64	-13.20	-3.24	9.12

Source: *Economic Survey 1995-96 and 1996-97 Appendix Table S-17. Coarse grains area = cereals area less area under wheat and rice.*

oilcakes has averaged 13 per cent annually during this period [Patnaik 1996, Table 10].

Similarly raw cotton exports spurted from an annual average of about 35,000 t in the four years before 1990, to 3.74 lakh tonnes in 1990-91, a more than ten-fold increase in just a year; exports maintained a high average of nearly 2 lakh t during 1990-92. With such a violent export surge the domestic availability declined and a crisis of raw material supply emerged for domestic textile producers. Raw cotton exports show large annual fluctuations: in 1993-94 exports were 2.97 lakh tonnes, dropping to 0.71 and 0.33 lakh t in the two succeeding years despite a 30 per cent rise in world price in 1994; and spurring again to 1.29 lakh t in 1995 as the international price rose by another 25 per cent (*Economic Survey S-86* and *Commodity Markets Review FAO 1996*, pp 47-48).

#### MISMANAGEMENT OF PDS STOCKS AND FOODGRAIN IMPORT

There was an excellent opportunity after mid-1995 to launch a programme of creation of productive assets (irrigation, reclamation) and infrastructure, whose wage-component could be met in a non-inflationary way by using the large PDS foodgrains stocks (34 mt in July 1995) in such food-for-work programmes. Instead, the government chose to dispose of what appeared to its myopic vision to be embarrassingly large stocks, by going in during 1995-96 for increased exports and record open market sales (7 mt) to private traders, resulting in a reduction of the stocks to below 26 million tonnes by July 1996 and below 20 m t three months later. At the same time there was a substantial shortfall of 6 m t in total food output in 1995-96, which was only 185 mt compared to the initial estimate of 191 mt. The shortfall arose despite a good monsoon year, from the continuing area conversion and fall in coarse grains and pulses to which was added a fall in wheat output by 3 mt.

There was substantially lower procurement of both wheat and rice out of the crops of 1995-96. The wheat procurement out of the lower output was around 8 mt compared to 12 mt in the previous year at comparable time-points while the rice procurement was also 30 per cent lower at around 10 mt. The combination of continuing exports and open-market sales out of stocks when there was sharply lower procurement, and a rising offtake from the PDS, led to a rapid drawing down of stocks which were below 20 mt by end-1996. This tight supply situation created by mismanagement and poor anticipation, provided conditions for private traders to profit.

Exports of wheat and rice had become competitive owing to the unusually sharp rise in the international price in 1995 over

the preceding year. Domestic market sales to trade and business which on average were more important than exports and accounted for 5.7 mt and 7.1 mt in the years 1994-95 and 1995-96, were unwise as private roller mills and other businesses profited by using subsidised grain for conversion to value added processed products for the high-income and export markets. The shortfall of 6 mt in 1995-96 total foodgrain production, should have led immediately to a cessation of open market sales out of PDS stocks. These continued however at a high pace through 1996, at the same time that demand was picking up in the course of that year. By end-1996 there was a sharp rise in the market price of wheat by as much as 40 per cent in the course of a few weeks. Grain import to the extent of 1.25 mt had to be contracted immediately and further import of up to 4 mt is considered likely in 1997.

India is likely to become an even more substantial foodgrain importer unless steps are taken to encourage foodgrains production and protect the domestic producer of foodgrains. This is because recent exports are temporary, and indirect use of foodgrains by the well-to-do through conversion to animal products and processed fast foods, is rising fast as real income rises and income distribution becomes more concentrated.

#### INFLATION IN FOODGRAIN AND RAW MATERIAL PRICES

In foodgrains the WPI (base 1980-81 = 100) by 1995-96 was 313 compared to 179 in 1990-91, or a rise of 75 per cent. During 1996-97 foodgrains prices rose by over 12 per cent so that since 1991 prices have doubled. The CPIAL has also doubled over this period. It is likely that given near-stagnant output the rise in foodgrains price would have been greater if there had not been a substantial cut in growth of aggregate demand owing to the unemployment-increasing and growth reducing macro-economic contraction which was especially sharp up to 1993 leading to a rise in rural poverty ratio. Subsequently in the next two years more expansionary policies were followed as the general elections approached. The 1996 budget with its sharp cuts in budget expenditure in the rural sector however is likely to have continued the adverse rural unemployment trends during 1996-97. The revised estimates of outlay for 1996-97 are even lower than budget estimates. The 1997 budget has continued this policy of reducing public expenditures with a mere 5 per cent increase in nominal terms in plan outlay over the 1996 budget estimates, which represents a decline in real terms.

*PDS prices:* Wishing to cut consumer subsidy on foodgrains supplied through PDS (such subsidy cuts affecting the poorest is part of SAP economic theology) government

decreed a sharp rise in the issue price of foodgrains in 1992 (30 per cent for rice and 20 per cent for wheat, well in excess of the rise in procurement price), followed by further rises in 1993 and 1994 so that total price rise was 75 per cent (Table 4). Price rise of this order led predictably to a sharp reduction in the offtake from the PDS, clearly because the poorest people depending on the PDS were priced out especially given the prevailing overall scenario of contraction in economic activity. Total offtake of the cereals declined by as much as 8 mt up to 1994-95, which combined with increased procurement led to the building up of large stocks which peaked at 34 mt by July 1995, well in excess of required norms.

The policy of reducing the consumer subsidy boomeranged on the government, as the cost of holding vertiginously rising stocks and subsidy thereon to the FCI rose sharply. The share of the consumer subsidy in total subsidy declined from 87 per cent to 61.4 per cent between 1991-92 and 1994-95 (Table 5). The outcome thus was an example of vicious financing in which the poor lost out while the burden on the budget was increased.

Since the period of hike in administered food price and fall in physical absorption of basic foodgrains by the poor was combined with employment decline, it is not surprising that the effects lasted well into 1996 despite the earlier inception of expansionary policies to a certain extent. Perhaps the undesirable form of the expansion – increasing the government's revenue deficit rather than undertaking more productive expenditures – also had a major role to play in prolonging the phase of poverty-induced lower offtake from the PDS. During 1995 offtake continued its downtrend and only during April-December 1996 was there a substantial rise in offtake after continuous decline in the previous five years. The issue price of foodgrains was raised after a three-year gap in February 1997, to be effective from June 1. At the same time food subsidy was targeted for the first time with the provision that those below the poverty line would be able to draw 10 kg for a family of four per month at Rs 2.50 per kg for wheat as against the revised price of Rs 4.50 per kg and Rs 3.50 per kg for the common and fine rice varieties as against Rs 6.50 per kg.

Procurement out of the 1997 rabi wheat harvest has been lagging during April with surplus wheat farmers of Punjab and Haryana in the Bharatiya Kisan Union boycotting the government's purchase agencies and demanding an unrealistically high price of Rs 615 per quintal (landed price of imported wheat) compared to the CACP's announced producer procurement price of Rs 415 per quintal plus bonus of Rs 60. This latter price already represents a substantial increase over

the previous year's price of Rs 380 per quintal and will fuel domestic food price inflation further. If the transport and handling charges to Bombay which come to about a quarter of the production cost are added on, Punjab wheat cannot be exported for less than Rs 470. Given the decline in the international wheat price during 1996 as advanced countries unloaded inventories, the BKU farmers' demand was hardly realistic. With the government reportedly preparing to import up to 4 million tonnes of foodgrains in the current year the boycott could not be sustained.

The capitalist farmers wishing to link themselves directly to the world market regardless of national requirements, are unwise from the viewpoint of their own long-term interests and show little knowledge of world commodity markets. While they may benefit in the short run from upswings in cereal price as occurred during 1995, export orientation also means bearing the brunt of downswings in world prices. Further, at present 85 per cent of the global wheat market is supplied by a handful of countries within the OECD (Canada, US and EU) who subsidise their producers heavily. To keep their market share they can raise their levels of subsidy via GATT-compatible direct payments, undersell potential competitors easily and penetrate markets like India which are currently being obliged under WTO to give up quantitative restrictions and open up to agricultural imports (the level of advanced country subsidy is discussed briefly in the third section as is the proposed removal of quantitative restrictions on our imports).

The surplus farmers of north India would do well to supply the internal market first rather than clamour for free trade, for the obverse of the unrestricted exports they demand, is unrestricted imports: by supporting free trade they expose themselves to being undersold in the domestic market by heavily subsidised advanced country producers. (The subsidies paid out for example by the US government alone in 1994 to its 3 million full-time farmers, was almost equal to the entire value of the GDP produced by the whole of Indian agriculture).

**Raw materials:** Raw cotton saw a sharp rise in domestic price as exports shot up to an annual average of nearly 2 lakh tonnes during the four years 1990-91 to 1993-94 compared to a sixth of that level earlier during the late 1980s, without commensurate rise in output. While in the five years after 1991 domestic raw cotton support price was nearly doubled (*Economic Survey 1996-97*), owing to the export surge in the early 1990s the open market price rose faster and yarn price doubled, causing great distress to weavers both in the handloom and the small powerloom sectors. Government was obliged

to announce a temporary hank yarn subsidy scheme to avert complete ruin for lakhs of weavers, despite subsidies being anathema under SAP.

In the first quarter of 1997 raw cotton prices for major varieties more than doubled again from Rs 1,100 to 2,400 per candy following the release of 1.63 million bales for export. The number of closed mills rose from 175 in April 1996 to 206 by April 1997 according to the president of Indian Cotton Mills Federation, (reported in *The Hindu*, May 19). Thus not only is there rise in domestic unemployment, but since textiles are a major foreign exchange earner there is reduction of international competitiveness from such a large rise in domestic raw materials price owing to indiscriminate export. Raw cotton illustrates with textbook clarity the problems with the mindless export of a raw material in response to highly volatile world price, in inducing deindustrialisation and loss of competitiveness in a sector with higher value added than in the production of that raw material.

#### WHY RECENT GRAIN EXPORTS ARE A TEMPORARY PHENOMENON

India actually exported foodgrains during 1995-96 and 1996-97 but this arose from two main abnormal factors: First, abnormally high international prices for wheat and rice: wheat price rose 27 per cent in 1995 by July-September and rose further by 15 per cent to December, while indica variety of rice rose 40 per cent. (FAO, *Commodity Markets 1996*). This made Indian wheat and rice competitive for the first time. But as major world suppliers have reduced stocks and increased supplies, prices have already declined from these abnormally high levels in the course of 1996 by about 25 per cent and at projected prices. Indian exports will no longer be competitive. Since the cost of transport to Bombay is a major part of final cost, if wheat farmers could export through Karachi rather than Bombay they would still just make the global market: hence the recent

attempt by some wheat-surplus states in north India to parley directly with Pakistan.

Second, as earlier discussed, abnormally large stocks of cereals had built up with government owing to reduction of offtake from PDS following near-doubling of issue-prices between 1991 and 1994, combined with high levels of procurement: thus pricing out of the poor from PDS and reduction of their consumption, underlay the ability to export out of rising stocks. (The recent Planning Commission Expert Group estimate of the poverty percentage for 1993-94 at 36.3 per cent is in conformity with this picture). Combined with exports, there were also large open market sales which have already reduced stocks to near normal levels.

Grain demand will increase in the next few years for direct consumption and for conversion to livestock products, but supply is lagging: first, it is in principle very undesirable to curb the already low consumption of the low-income groups; the correct if very belated emphasis now is to enable low income groups to access foodgrains by reducing its price. The new coalition government which assumed office after the May 1996 elections

TABLE 6: PRODUCER SUBSIDY EQUIVALENTS (PSE) IN THE US AND EU

	US	EU
<i>Wheat</i>		
Total PSE (\$ Billion)	4.12	9.22
Unit PSE (\$ Per Tonne)	66	11.4
Subsidy as per cent of Unit Price of \$140 per tonne	47.14	81.43
<i>Course Grains</i>		
Total PSE (\$ Billion)	5.02	7.89
Unit PSE (\$ per tonne)	19	111
Subsidy as per cent of Unit Price of \$100 per tonne	19	111
All Products PSE (\$ Billion)	26.23	80.48
PSE per full-time farmer (\$)	16.000	18.000

Source: OECD, Agricultural Policies Markets and Trade 1995 quoted in K Watkins 1996; Unit PSE as per cent of unit price calculated by us using price data in FAO Commodity Markets Review 1996.

TABLE 5: BREAK UP OF TOTAL FOOD SUBSIDY BETWEEN CONSUMER SUBSIDY AND CARRYING COST OF STOCK-HOLDING 1991-92 TO 1994-95

Year	Sale Quantity mn t	Consumer Subsidy on Sales Rs bn	Average Buffer mn t	Carrying Costs Rs bn
1991-92	21.363	28.9091	5.580	4.3274
1992-93	17.950	32.2377	4.348	4.5069
1993-94	18.646	31.7499	10.629	12.4534
1994-95	18.815	27.3600	16.590	17.1900
		Total Subsidy Rs Bn	Per Cent of Consumer to Total Subsidy	Provided for in GOI Budget
1991-92		33.2365	86.98	28.5000
1992-93		36.7446	87.73	27.8528
1993-94		44.2033	71.83	55.3714
1994-95		44.5500	61.41	51.0000

Source: 12th Report of the Standing Committee on Food, Civil Supplies and Public Distribution 1995-96, presented to Lok Sabha on May 9, 1995, p 5.

announced a new PDS scheme under which the poor are to pay half the price payable by the non-poor. The domestic absorption of foodgrains by the low-income groups may now be expected to increase, if the scheme is seriously implemented.

But second and much more important, the present rapid annual growth at 8 per cent to 10 per cent in the consumption of livestock products on account of the well-to-do top 15 per cent of the population (who are both increasing their incomes whether black or white at a faster rate and getting tax breaks) will mean an increasing demand for fodder grains and concentrates. The income-elasticity of demand of the well-to-do in developing countries, for animal products which are very grain-intensive, has been estimated to lie in the range of 1.6 to 1.8 [Hasheyama 1996]. As we pointed out [in Patnaik 1996], present official figures of cereal availability per head overstate the amount available for direct consumption because the already higher rate of conversion to livestock products is not taken into account and a 45-year old convention of deducting only one-eighth of gross output on account of seed and feed is still being mechanically followed. It is true that with the spread of HYV the seed fraction of output has come down, but this alone does not justify retaining the same total percentage deduction for 45 years on account of seed plus feed. The feed component is likely to have risen much more than is commonly believed. Additionally there is today a much higher rate of conversion of grain to processed foods for urban consumption – cornflakes, noodles, etc – reducing direct availability for the rural masses further. (It is of no use to tell the rural labourer to eat noodles if he cannot afford wheat).

While demand for the indirect grain consumption is spurring, as we have seen during 1990-91 to 1996-97 the average of annual foodgrains growth rates has come down to only 1.07 per cent and per head availability has declined.

Given the factors enumerated above it is therefore quite realistic to project substantial grain imports if not enough is done on the production front to raise yields very substantially. We may not accept the estimate of Worldwatch Institute that India will require to import 43 mn tonnes of foodgrains by 2030, but well-to-do consumers' demand is pressing on lagging domestic supply and net import is very likely in coming years.

### III

#### Disinvoking Balance of Payments Cover for Retaining Quantitative Restrictions in Agriculture

While the signatories to GATT 1994 agreed to eliminate quantitative restrictions through an initial process of tariffication and reduction

of tariffs over time, those developing countries whose balance of payments position could be threatened or development affected were permitted under Article 18b to retain quantitative restrictions. This was a strong safeguard against premature opening up to unrestricted imports. On the argument that India's balance of payments position is sound, the advanced countries during the last two years have been putting unremitting pressure on the Indian government to disinvolve the b o p cover provided by Article 18b. With several administrators well-schooled in neo-liberal theology and with track records of serving in the Fund and the Bank already ensconced in decision making positions in the key ministries of commerce and finance, disinvoking has been recommended overriding the objections of the Planning Commission. The disinvoking is unwarranted in view of the renewed fragility in the trade situation: moreover the removal of quantitative restrictions on agricultural imports will expose lakhs of Indian farmers to grossly unfair competition from heavily subsidised advanced country products, particularly cereals and dairy products.

In any case to argue that India's balance of payments position has ceased to be fragile is erroneous. India's current account deficit had reduced during 1991-92 to 1993-94, but has again shown a substantially rising trend during 1994-95 to 1996-97. Thus in 1994-95 it more than doubled over the previous year's level and in 1995-96 it again doubled over the 1994-95 level to reach US \$5.4 bn. In 1996-97 it is projected to be \$4.86 bn on the basis of April-December 1996 data. While there was addition to reserves earlier, in 1995-96 reserves had to be drawn down by 3 bn dollars. The capital account situation is not yet clear for 1996-97.

The BOP situation remains fragile and the fragility can be expected to increase for a number of reasons:

(a) earlier high export growth rates are necessarily reducing. From April to October in 1996 every month has shown sharply lower export growth compared to the corresponding month of 1995, and in November and December 1996 the export growth became negative. For the period April-December 1996 the growth rate has dropped to 6.4 per cent compared to 24.2 per cent in the previous year.

(b) Imports have also slowed down to register 4.4 per cent growth during April-December 1996. However in future imports can be expected to grow much faster because a range of consumer goods have been already put on OGL in recent months and the 1997 budget tax breaks will increase disposable incomes with the well-to-do.

While (a) and (b) together will raise the current account deficit, the capital account can scarcely be a source of solace, what with

continuing debt-repayment obligations, the meagreness of DFI inflows, the plateau in NRI remittances, and the ever-present threat of 'hot-money' flight.

In view of these adverse trends it is in any case unwise to give up Article 18B. More importantly however such giving up exposes lakhs of Indian farmers to grossly unfair competition.

#### AGRICULTURAL SUBSIDIES IN ADVANCED COUNTRIES

The competition which Indian farmers will face if there is opening up to agricultural imports from advanced countries is an extremely unfair one, given the high total transfers amounting to over US \$ 28,000 and nearly US \$ 20,000 per full-time farmer equivalent in the US and European union in 1995 (data in 1996 *OECD Report Part 3*). This subsidy alone is 70 times the income of the typical Indian farmer.

Advanced countries are able to continue giving very high subsidies and still comply with GATT 1994, because they have ensured that 'Green box' and other provisions have been written into the Agreement, using which they can increase certain new types of transfers to their farmers while reducing the older types, so that the total de facto transfer remains unchanged or declines very little. Thus under these provisions they can replace reduced market price support, by budgetary support, which includes direct cash payments such as 'deficiency payments' (in the US, this bridges the gap between a notionally high, politically determined 'target price' and guaranteed intervention price), headage and area payments, compensation payments for reduced market support, and operate a range of other budgetary transfer schemes under environmental clauses (for a list see *OECD Report 1996*, p 46).

The European union increased direct payments by 25 per cent in 1994; the share of direct payments in US has been rising too. For all OECD countries taken together direct payments have risen from 16 per cent in the base period, to 23 per cent of total producer subsidy equivalents by 1995, and other budgetary support has risen from 17 per cent to 19 per cent, even while market price support measures have fallen from 65 per cent to 58 per cent. As a result of the change in the composition of payments, the total transfer has either remained unchanged (EU) or declined much less (US) than has that minor component of total transfers, which counts as reducible under WTO and is used for calculating the 'aggregate measure of support' or AMS.

Thus the total transfers to the 2.5 m full-time farmers in the US in 1993 was \$ 87 billion while the officially admitted 'aggregate measure of support' (AMS) in the base period, subject to reduction under



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GATT was only \$ 23 bn. The AMS was thus a minor part, just over one-quarter, of the total transfers to their farmers (see 1994 *OECD Report* Part 2). The US offer in the WTO to reduce its AMS by \$ 4 billion, from \$ 23 bn in the base period to \$ 19 bn by year 2000, is meaningless from the viewpoint of any improvement in the level of the playing field vis-a-vis Indian farmers. Even if the entire AMS of \$ 23 billion had been scrapped i.e., reduced to zero and not in year 2000 but in 1994 itself, there would still have remained at least \$ 65 billion of transfers to their farmers, or nearly 22,000 dollars per full-time farmer, more than 60 times the annual income of the average Indian farmer. The actual total transfer per full-time farmer equivalent in 1995 was \$ 28,000 (*OECD Report* 1996, p 107). In fact by 1995 itself the US claimed to have complied with the GATT 1994 requirement of reducing AMS, hardly a difficult feat given that green box and other provisions have been specifically written into GATT with the objective of allowing advanced countries to maintain total subsidies by increasing transfers under heads of environmental concerns and direct payments. However the US has at least reduced its total transfers to \$ 75 bn by 1995 whereas the EU has increased its total transfers in that year to \$ 145 bn compared to \$ 135 bn in the pre-GATT year 1993.

The total transfers in the US alone in 1994 was nearly equal to the entire contribution by Indian agriculture to the nation's GDP. Subsidies per farmer in the EU are even higher than in the US. How are such large subsidies to be interpreted? If India imports food from the US or EU, for example, does it mean that we would get the benefit of these subsidies by way of cheaper food? The answer is 'no' for precisely the reasons that the World Bank adduces for removing trade restrictions, namely, that India's agricultural prices (including the prices of several foodgrains) are lower than 'world prices'. The removal of restrictions in such a situation would raise domestic food prices relative to the money wages of the working population notwithstanding the fact that the world prices themselves are a result of massive subsidies. (The reason for India's low food prices relative to world food prices despite the much heavier subsidies elsewhere lies in our low wages and hence the generally lower costs of production).

This fact of lower Indian prices does not however mean that removing trade restrictions would do no damage to our food production. It would for a variety of reasons: first, the greater profitability of non-food crops would mean a switch of area away from food (as noted earlier); secondly, there may be temporary dumping by the advanced capitalist countries of food; and thirdly, there

is a heterogeneity among the Indian farmers so that some would be hard-hit notwithstanding the average picture.

The realistic interpretation of the advanced countries' subsidies therefore is that they help to maintain high living standards for American farmers despite their relative inefficiency. If the consumption of the producer is included in cost of production, the per ton production cost in US is higher by nearly 50 per cent than the present price at which it sells on the international market. In the absence of subsidies, US wheat farmers could only maintain their present high living standards by selling at a price of \$240 per ton, or \$80 more per ton than they do at present. European wheat farmers are even more inefficient and would require a 80 per cent higher world wheat price of nearly \$ 290 per tonne to maintain their incomes without subsidies. The rigid and limited output-vector of temperate-land agriculture means their farmers can never directly diversify into the products in elastic demand which their own consumers want, but must sell abroad, while developing countries are induced to shift their cropping patterns away from cereals and towards the crops demanded by northern populations.

It is in the advanced temperate countries' interests to acquire external markets and to subsidise their farmers in order to do so. Thus domestic utilisation of wheat and coarse grains output in OECD countries in 1994 was 63 percent and 87 percent and utilisation will only grow in future at most as fast as population growth. Another factor to bear in mind is that with the economic collapse of the former Soviet Union and parts of eastern Europe, large grain markets have been lost by advanced countries and they are eagerly looking for additional markets in developing countries. Thus western grain exports to these areas fell from 28 mn tonnes 1992-93 to about 17 mn tonnes the next year (1994 *OECD Report*, p 203).

According to the *OECD Report* for 1996, total transfers taking all OECD countries together, increased from an average of US \$ 326.6 bn in 1990-92 to \$ 335 bn in 1994 and is estimated to have been unchanged at \$ 336 bn in 1995. The subsidy per full-time farmer equivalent increased slightly in 1995 over 1994 from 15,716 dollars to 15,899 dollars taking all OECD countries. One part of the total transfers is the producer subsidy equivalents (PSE). In Table 6 the PSE per tonne of wheat and coarse cereals paid out in the US and EU and its ratio to international unit price, gives an idea of the high levels of subsidy.

A large developing country like India with fiscal problems cannot hope to implement similar 'green box' provisions even on a tiny scale, i.e., emulating advanced countries is impossible. Subsidies are targeted for

slashing under our loan-conditional reforms, and reaching over 90 mn farmers is administratively impossible. The best national strategy is not to subject the livelihood of millions of our poor farmers to the threat of such heavily subsidised agricultural imports from rich countries.

India is likely to become a large net foodgrain importer in the next few years unless the domestic producer is protected strongly, and raising the level of domestic foodgrains production is given due importance in policy. Reliance on import of foodgrains is extremely undesirable because (1) food export has been used always as a political lever by the developed countries, (2) the FAO and World Bank (1993 *Report*) price projections up to year 2005 show that international real cereal prices will rise slowly but real prices of foodgrain commodities will all decline. In other words India cannot hope realistically to finance food import by exporting other products from agriculture. Any strategy relying on export growth from agriculture to finance food import will simply undermine food security severely.

[The first part of this essay contains material from a paper presented to the S E Asian NGO Conference on Food Security and Fair Trade which was held at Manila during February 13-16, 1996].

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# Cultures in conflict

Every nation has at any given time not one culture but several, and not only as unity in diversity but also as unity of opposites.

AIJAZ AHMAD

INDIA is one of the few countries of the world, certainly the only country of considerable size and claim to world distinction, that will enter the 21st century with half of its people illiterate and its women facing a dowry death every one hour and 42 minutes, a rape every 54 minutes, a molestation every 26 minutes. India also produces an impressive cross-section of the world's technical personnel and some of the world's most celebrated novelists in the English language; exhibits and auctions organised by such illustrious agencies as Christie's would suggest that an increasing num-

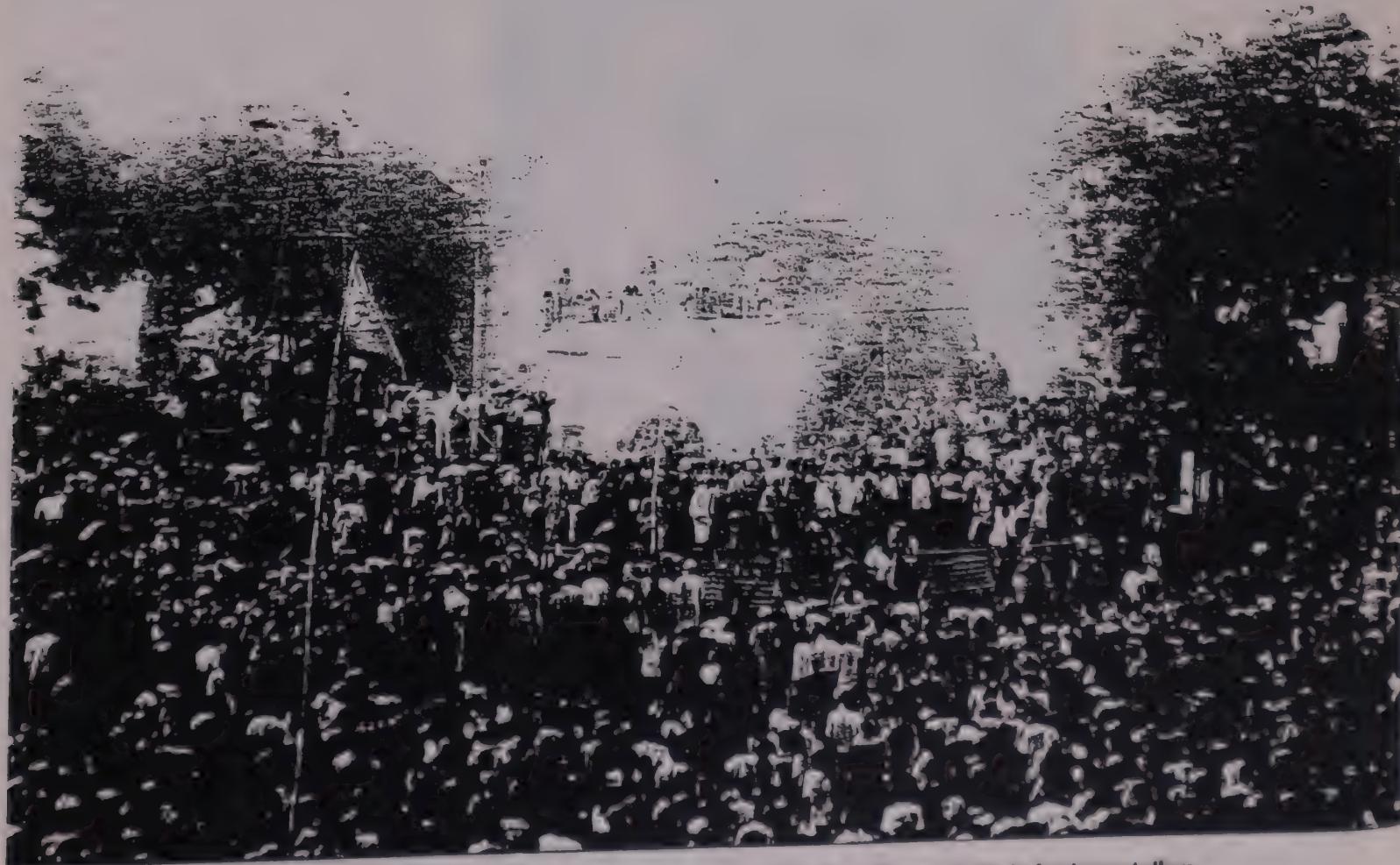
ber of Indian painters and other artists are now selling at very good prices in the global art market. How are these contrasting facts related to the state of culture in India half a century after Independence?

'CULTURE' is a difficult word. In one range of meanings, 'Culture' refers to the cultivation of superior intellectual abilities and spiritual refinements, as reflected, for example, in institutions of higher learning and the arts. Novelists, painters, professors, theologians, scientists, filmmakers, and specialists of various kinds are crucial for this sense of 'Culture'. But 'Culture' also means 'a whole way of life' as it is sed-

imented historically and lived in concrete material practice by a people, whether organised in units of nationality or not. Third, however, it is often presumed that culture as 'a whole way of life' is crystallised in a 'High Culture' of superior learning and finer perception. A country that has a large number of litterateurs, scientists, sculptors and so on is presumed to have attained a high level of culture. Finally, 'Culture' may also refer to aggregate patterns of civic life: a 'culture of civility' may be distinguished from a 'culture of cruelty' and the one may give way, in conditions of social transition, to the other, as is happening in large parts of India today.

The definition of 'Culture' as a

VIMAL SHIMAI



Ayodhya on December 6, 1992, when the Babri Masjid fell to the onslaught of the forces of Hindu fundamentalism.

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'whole way of life' is perhaps the most arresting, since this can be read in a great many ways. For instance, references are often made to 'Indian culture' or 'Hindu culture' or, more plausibly, to 'Brahminical culture' or 'upper class culture'. The latter two claims are more plausible because members of the same consolidated caste or class do tend to share broad parameters of a certain culture. But usages where culture is identified with a nation-state or a religion tend to obfuscate matters considerably, and they often conceal a demonstrable degree of aggressivity behind benign-sounding cultural invocation. For example, the Hindutva ideologues claim that there is what they call the 'Indian cultural mainstream' to which Hindus seem to belong by birth and all the rest – Dalits, Adivasis, Muslims, Sikhs, Christians, Buddhists – are urged to swim into. Similarly, 'Hindu culture' can only be the culture of caste Hindus. No one is ever urged to join the 'Culture' of the casteless who are generally presumed to be culture-less as well. The penetration of some odd habits of the caste-ridden into the cultures of some of the casteless is what Indian cultural anthropology quaintly calls 'Sanskritisation', of which too independent India has witnessed a good deal.

Social conflicts of various kinds, along lines of class, caste, gender, ethnicity and so on actually leave very little room for a 'whole way of life' to be shared by 'a people' or a whole nation to any significant extent. Compared, for example, to the number of illiterates in the country, the number of those who get science degrees or those who read Salman Rushdie or Anita Desai is minuscule. This is a fair index of the cultur-



Ayodhya on August 14-15, 1993, when the Saifdar Hashmi Memorial Trust (SAHMAT) organised a cultural show, Mukt Naad, on the banks of the Sarayu in celebration of India's cultural pluralism. (Below) Devdas and Kartik Baul, baul singers from Santiniketan, at Mukt Naad.



al situation in India at the present time, since depriving the vast majority of people any access to modern cultural goods is itself 'a whole way of life' in India and thus a 'national culture' in its own very material way, which requires that cultural capital, like money-capital, be not re-distributed but greatly concentrated. Culture in the sense of 'High Culture' (for example, techno-managerial strata, *Midnight's Children*, Christie's auctions, and now *The God of Small Things*), and culture in the sense of 'a whole way of life' (for example,

illiteracy, violence against women, child labour) have not been mutually unrelated in independent India, and the latter is not on the way to being eradicated by the former. These patterns within a single national culture have been but two aspects of our specific kind of embourgeoisement. Culture, in other words, is not an arena for the harmonious unfolding of the Nationalist Spirit, nor merely a zone of the aesthetic. It is, rather, a field of very material contentions and conflicts. Every nation has at any given time not one culture but several, and not only as unity in diversity but also as unity of opposites.

LOOKED at this way, it is really quite astonishing how closely culture is connected with politics and economy, and how much it has to do with pedagogical functions of the state. The organisation of the cultural field in independent India, which has concentrated cultural resources in the main cities, notably Delhi and secondarily some State capitals, while making little effort to eradicate illiteracy, provide mass education or develop peri-urban townships as centres of modern creativity, was entirely in keeping with the Mahalanobis mode of economic growth, in which development of industry, especially the capital goods indus-

try, was to lay the foundation for a much-postponed modernisation of agriculture. The emphasis was on higher education rather than on primary and secondary education; on Culture as refinement of Spirit rather than Culture as a mode of collectively shared civic values. Hence, for example, the magisterial Academies (of Arts, Letters, Dance and Music), the Research Councils (for History, Social Science), the Institutes of Technology, the Central Universities, the state-sponsored scientific establishment. In its own curious way, the model has worked. At the upper end of the scale, India has an intelligentsia that aspires to, and can and does rub shoulders with the best and the brightest in the metropoles of capital and culture

in the North. The bottom half of India does not read or write, and another 30 per cent or so does but barely.

This, then, is reflected in linguistic cultures, which too rest on a three-part system of English education, vernacular literacy and a wide variety of oral cultures without benefits of literacy. Compared to the colonial period, English now has a broader social reach and the English-speaking intelligentsia is now more numerous and confident than ever before. Even though perhaps not much more than five per cent of the population actually reads it with any degree of fluency, English alone accounts for roughly 40 per cent of all Indian publishing, thanks partly no doubt to textbook consumption and government printing. Though spoken by relatively few, English performs four key functions: it plays an integrative role in trans-regional cultural contacts; it signifies deepening penetration of society by the national state and the national economy; it serves as one of the barriers against imposition of Hindi on the rest of Indian society; and it serves as the medium for transactions between the Indian intelligentsia and currents in world culture. In production of scientific and social-scientific knowledges, the role of English is predominant. In the world of literary creativity, Indian writers of English command high visibility and disproportionate power but remain a minority current. All in all,

English is the language of a small minority. Among the rest of the literate, however, knowledge of English is reduced to a bare smattering, while knowledge of regional languages has greatly advanced. The upper layers of the Indian intelligentsia are thus more integrated

than before through the English language, electronic and print media, government presence and market forces, but the bulk of this intelligentsia is also more regionally based in daily routines of culture, literacy and communication. These contradictory trends then raise a significant question.

The historic trajectory of nation-states and industrial societies, as these developed in Western Europe and North America, has been

toward mono-linguistic cultures. This trend will probably succeed in East Asian zones as well. The socialist countries in Europe, notably the USSR, Yugoslavia and Czechoslovakia, attempted to create multi-lingual societies in the course of brisk industrialisation, but the experiment collapsed with the collapse of socialism; the one seemed to have presumed the other. Within this historical perspective, then, India is unique in that it has sought to create an industrial capitalist society out of a notably backward socio-economic structure, more or less hothouse-fashion, but one that would also be multi-lingual. Whether or not these twin projects, of industrialised society and multi-lingual culture, can be completed simultaneously, and whether this combination of industrialisation and multi-lingual culture is possible without the creation of a socialist society, shall be one of the more exacting questions over the next half century.

This question remains open in India thanks to what has been our principal achievement in arenas of politics and culture alike, namely the creation of a broad culture of democratic values and secular civilities through stable mechanisms of universal suffrage and constitutional governance. This culture of democratic values is indispensable in the struggle against linguistic or cultural hegemonism of particular groups and against onslaughts of religio-cultural fascism, which presents itself in the garb

of 'national culture'. The survival of secular democracy and the survival of India as a multi-lingual, multi-denominational, multi-cultural society are thus irrevocably linked. This is the specific form, the central expression, of our modernity.

THE past decade has witnessed three fundamental shifts in the cultural field. First, the Hindutva forces, which used to be marginal to national culture in the days of the national movement and in the opening decades of the Republic, are now the main contenders for political dominance and cultural hegemony, especially in North India. Secondly, economic liberalisation has vastly accelerated the creation of a pan-Indian culture of commodity fetishism which the electronic media is carrying far beyond the urban habitats of the bourgeoisie, fairly deep into the countryside. Together, these far-reaching attacks on the founding principles of the Republic have led to an immense brutalisation of day-to-day cultural life, certainly of the affluent but with far-reaching consequences for society at large, as spectres of greed satisfied and greed unsatisfied stalk the land. Thirdly, the lack of a national project for social justice and the acceptance of the supremacy of the market as the final arbiter of the social good, combined with full commodification of competing religiousities, has led to a new eruption of the savage identities of caste and denomination, which gets intellectual respectability from the indigenist scholars for whom secularism is the sin of modernity while savage identities of religion and community are the very essence of what they call 'tradition'. Of these, indigenism is arising as a particular pathology of 'high culture', and Hindutva poses the most immediate danger to the culture of secular civility, but the greatest long-term danger comes from that worship of the market that goes currently under the name of 'liberalisation'.

For, unleashing an uncontrolled market in a multi-cultural society that rests on such concentration of wealth and magnitudes of deprivation promises to create a culture so brutish, so much at odds with itself, so devoid of any sense of culture as a 'common way of life', that neither political democracy nor the compact of a united nation may survive this brutalisation of a Republic that was born, some 50 years ago, in dreams of radical equality. ■

# Caste: the challenge of stratification

D. L. Sheth

FOR about two decades after Independence, the political discourse on caste was dominated by the Left-radical parties and the liberal modernist intellectuals. The discourse was bogged down in the dichotomous debate on caste versus class politics. "Class-politics," i.e., the strategy of mobilising popular support on political issues and electoral support along class lines, was seen as the only rational/scientific way of representing the forces of social change and modernisation in democratic politics. "Caste-politics", on the other hand, symbolised the "atavistic" ideology of the caste system which, it was believed, was rapidly losing its basis in the structure of material interests in society; it survived largely at the level of habit and sentiments. Hence, the Left parties, both the communist and the socialist, by and large, sought to articulate political issues and devise strategies of mobilising electoral support in terms of economic interests which, in their view divided the social classes in India. In the event, although these parties could credibly claim to represent the poorer strata and even occupied some significant political spaces in opposition to the Congress at the time of Independence, they failed to expand their electoral support in any significant measure for decades after Independence. The binary opposition of castes and classes continued to get sharpened in the ideological debates but the actual politics of elections and parties persisted in adapting to the social reality of castes.

Put simply, competitive politics required that a political party seeking wider electoral bases viewed castes neither as a pure category of "interest" nor of "identity." The involvement of castes in politics fused "interest" and "identity" in such a manner that a number of castes could share common interests and identity in the form

of larger conglomerates of castes in the political arena. The process was of politicisation of castes through which the elements of both hierarchy and separation among castes were getting reorganised and recast in larger social collectivities. These new collectivities did not resemble either the varna categories or anything like a polarised class-structure in politics. The emergence of these socio-political entities in Indian politics defied the conventional categories of political analysis, i.e., class analysis vs. caste analysis. The singular impact of the competitive democratic politics on the caste system thus was that it delegitimised the old hierarchical relations among castes, facilitating new, horizontal power relations among them.

The process of politicisation of castes acquired a great deal of sophistication in the politics of the Congress, which scrupulously avoided taking any theoretical-ideological position on the issue of caste versus class.

Being politically aware of the change in the agrarian context, the party saw castes as socio-economic entities seeking new identities through politics in the place of the old identities derived from their traditional status in the ritual hierarchy. Thus, by relying on the caste calculus for its electoral politics, and, at the same time, articulating political issues in terms of national economic development and integration, the Congress was able to evolve durable electoral bases across castes and to maintain its image as the only and truly national party. This winning combination of "caste politics" and "nationalist ideology" secured for the party a dominant position in Indian politics for nearly four decades after Independence.

The Congress rarely used dichotomies such as upper castes vs. lower castes or the capitalists vs. the working class in its political discourse. Its politics was largely addressed to linking vertically the upper-caste

Politics became a contest for representation among horizontal power groups, representing social collectivities as identified by the policy of reservation.

These groups began to bargain with different existing parties or formed their own new parties. Whatever survived of the hierarchical dimension of the traditional stratificatory system in politics was thus effectively horizontalised.



Getting the stick is an anti-reservation agitator in Allahabad in November 1992... percentage war.



*Medical college students blocking traffic against the Mandal Commission recommendation.... a chain reaction.*

oriented middle-class rule to lower-caste support. And the ideology used for legitimisation of this vertical social linkage in politics was neither class ideology nor caste ideology; the key concept was "nation-building."

The politics and programmes of the Congress at the national level were thus projected as representing the "national aspirations" of the Indian people, albeit as articulated by the homogeneous middle class that played the leadership role at the time of Independence. Its homogeneity lay in the fact that it was almost entirely constituted of the upper castes. At the regional levels however, the party consolidated its social base by endorsing the power of numerically stronger and upwardly mobile dominant castes of the land-owning peasants, e.g., the Marathas in Maharashtra, the Reddys in Andhra Pradesh, the Patidars in Gujarat, the Jats in Uttar Pradesh and so on. In the process, it created a patron-client type of relationship in electoral politics, relationships of unequal but reliable exchanges between the political patrons, the upper and intermediate castes, and the numerous lower caste communities of voters, popularly known as "vote-banks." Thus, in the initial two decades after Independence the changing power relations in society were processed politically through elections. This ensured for the Congress a social consensus across

castes, despite the fact that it was presided over by the political hegemony of a small upper caste – an English-educated elite – in collaboration with the regional social elites belonging, by and large, to the upwardly mobile caste of landed peasants. The latter, however, were often viewed by their collaborating patrons – the "national elite" – as parochial traditionalists.

This collaboration between the two types of elites, although unequal in the mould of patron-client relationship, enabled the Congress not only to build for itself a structure of collective caste loyalties which in turn was linked vertically to the rule of the "national elite", but also subordinate the rural-agrarian sector of the economy to the growing urban-industrial sector, which the "national elite" dominated. Thanks to the complexity of democratic politics and the radical changes that had already occurred in the occupational structure of the Indian society, the rule of this elite at the national level could not be typified as the rule of the upper castes. The ruling "national elite" did have its origins in the upper castes but had become detached from its

**The ruling "national elite" had its origins in the upper castes but became detached from its traditional ritual status. It acquired new interests and habits through modern education, non-traditional occupations, and westernisation.**

traditional ritual status. It had acquired new interests and habits which came through modern education, non-traditional occupations and a degree of westernisation in thinking and lifestyles.

The upper castes, constituted as a middle class, increasingly dispensed with discharging the functions required of their status in the ritual hierarchy. Giving up of the traditional ritual functions enabled members of the upper caste to claim for themselves a new social status and subjective identification of the "middle class." At the same time, their caste identities *qua* upper castes were far from dissolved. They could comfortably own the upper caste and the middle class identity as both the categories were then concomitant to each other. More important, even while they had by and large ceased to perform functions associated with their ritual status, they continued to benefit from the enormous resources that their traditional high status brought to them while operating in the modern system of power in which they were already ensconced. In fact, they were the natural first entrants to this new power system as their status in the traditional hierarchy helped them take quickly to modern education and professions and also to convert, whenever necessary, their inherited wealth into new means for acquiring elite positions of power. In the formation and functioning of this middle class as a power group of elites, their castes had indeed fused with the class and the status dimension had acquired a pronounced power dimension. But insofar as this process of converting the traditional status into new power was restricted to the upper castes, they sought to use that power in establishing their own caste-like hegemony over the rest of society. It is this nexus between the upper caste traditional status and new power that inhibited the transformative potentials of both modernisation and democracy.

The emergent relationship between the traditional status system and the new power system worked quite differently for the numerous non-dwija (twice born) lower castes. In negotiating their way in the new power system, their traditional low status, contrary to what it did for the upper castes, worked as a liability. The functions attached to their traditional low statuses had lost relevance or were devalued in the modern occupational system. Moreover, since formal education was not mandated for them in the traditional status system, they were slow to take to modern education compared to the upper castes. Nor did they have the advantage of inherited wealth as their traditional status had tied them to subsistence livelihood patterns of the *jajmani* system.

In brief, for the lower castes of peasants, artisans, the former untouchables and the numerous tribal communities, their low status in the traditional hierarchy worked negatively for their entry into the modern sector. Whatever social capital and economic security they had in the traditional status system were wiped out through the modernisation process; they no longer enjoyed the protection they had in the traditional status system against the arbitrary use of hierarchical power by the upper castes. On top of that, they had no means of resources to enter the modern sector in any significant way, except becoming its underclass. They remained at the bottom rung of both

the hierarchies, the sacred and the secular, of caste and class.

This did objectively create an elite-mass kind of division in politics, but it still did not produce any awareness of polarisation of the economic classes in society. In any event, it did not create any space for class-based politics. In fact, all attempts of the Left parties at political mobilisation of the numerous lower castes as a class of proletarians or as a "working class" did not achieve any significant result either for their electoral or revolutionary politics. Neither did their politics, focussed as it was on class ideology, make much of a dent on the Congress-dominated politics, for it had established the political hegemony of the

upper castes oriented middle-class with the electoral consent of the lower castes. It was a very peculiar caste-class situation in which the upper castes functioned in politics with the self-identity of a class (ruling or "middle") and the lower castes with the consciousness of their separate caste identities. The latter were linked to the former in a vertical system of political exchange through the Congress, rather than horizontally with one another.

It took some three decades after Independence for the lower castes of peasants, artisans, the former untouchables and the tribals to express their resentment against the patron-client relationship that had politically bound them to the Congress. With growing awareness of their numerical strength and the role it could play in achieving their share in political power, their resent-

ment took the form of political action. Some awareness among the lower castes of using political means for upward social mobility and for staking claim as larger social collectivities to a share in political power had arisen during the colonial period, but it remained contained, if not subdued, for almost three decades after Independence when the political discourse was dominatedly the upper caste oriented, English-educated "national elite." The long term consequences of the policy of reservation, which had been in operation in one form or the other since the colonial times, became visible in the mid-1970s. Despite tardy implementation, the reservation policy had by then created a small but significant section in each of the lower caste groups which had acquired modern education and had entered the bureaucracy and other non-traditional occupations.

This process came to a head at the beginning of the 1980s when recommendations of the Second Commission for the Backward Classes, the Mandal Commission, became a contentious issue in Indian politics. The so-called Mandalised politics has since resulted in radically altering the social bases of politics in India. First, the Congress-dominated politics of social consensus, presided over by the hegemony of an upper caste, English-educated elite came to an end. The Congress could no longer function as a system of vertical management of region-caste factions. The elite at the top could not accommodate the ever-increasing claims and pressures from below, by different sections of the lower castes, for

their share in power. Since the mid-1970s through the 1980s, large sections of the lower strata of social groups abandoned the Congress, and constituted themselves into shifting alliances of their own separate political parties. The vertical arrangement of the region-caste factions that the Congress had perfected just collapsed. The national parties – the Congress, the BJP, and the communist parties alike – had to negotiate for political support directly with the social-political collectivities of the Other Backward Castes (OBCs) the Scheduled Castes (SCs) and the Scheduled Tribes (STs) or with the caste-regional parties constituted by them.

Secondly, the categories of the OBCs, the SCs and STs, themselves devised for the administrative purpose of implementing the reservation policy, acquired a strong political content. They now operated in politics with the self-consciousness of political groups: to contend with proxy-representations by the upper caste-middle class elites, they wanted political power for themselves. Politics now became a contest for representation among horizontal power groups, representing social collectivities as identified by the policy of reservation. These groups began to bargain with different existing parties or formed their own new parties. Whatever survived of the hierarchical dimension of the traditional stratificatory system in politics was thus effectively horizontalised.

Thirdly, the horizontalisation of castes in the political arena prevented the Bharatiya Janata Party's effort to fill the void created by the collapse of the Congress caste-class combine. Its campaigns of political mobilisation of all Hindus (which, in their view, include the upper castes, the OBCs, the SCs and STs) by using the slogan of cultural nationalism i.e., Hindutva, remained effectively confined to its support base among the upper and intermediate castes. Except temporarily when emotive issues such as the mosque vs. temple were raised, the appeal of Hindutva failed to override the fear of the lower castes that the BJP represented a Congress-like caste-hierarchy in its political organisation and generally in politics. The BJP thus could not incorporate these groups on a durable basis either in its decision-making or electoral support structure. In the event it consolidated its support among the upper and some middle rungs of the traditional social hierarchy, garnering about 20 per cent of the popular vote. A further expansion of its electoral base would, however, require that the party cross the social-structural barrier that the so-called Mandalised politics has created through the horizontalisation of the traditional Hindu hierarchy. To large sections of the lower castes, the BJP campaign of Hindutva appeared as a ploy of an upper caste minority to project itself as a political majority by claiming to represent all the Hindus. The Hindutva campaign sought to take the lower caste Hindus on its bandwagon, but without showing any real recognition of their interests or aspirations. Like any other party today, it must therefore negotiate with these 'Hindu' groups separately as horizontal power groups, rather than as constituents

integral to the political movement of Hindu solidarity.

Fourthly, in the emergent context of the caste-based political coalitions competing for power, the politics of class-polarisation, which in fact never took off, remained grounded. The "Mandalised politics", by generating aspirations among the lower castes to attain a "middle class" status and lifestyle, prevented the process of class polarisation. The Left parties have only lately come to realise how the linkages between the socio-cultural identities and economic interest work in politics. So, since they have changed their strategies for electoral and political mobilisation of the "masses", they now increasingly address their politics to specific groups of the oppressed and deprived sections, identified more in caste terms than with a generalised class of the proletariat. But they still do not identify the ruling class in caste-terms.

While the politics of horizontal caste coalitions, an outgrowth of the "Mandalised politics" of the 1980's, has rerooted national politics in the regions, it has greatly

diminished the pan-Indian character of the "national parties". The claims of national representation for any of these parties have become unagreeable and unsustainable. It is a moot question whether the new and growing middle class, increasingly incorporating within itself the members of the lower castes, will, in the near future, acquire political attitudes and preferences, and such members across castes and regions that can produce a "political majority" nationally for a party or a coalition to claim and hold its support electorally.

Nevertheless compulsions have been created by this politics in the social arena where the old, upper-caste oriented middle-class is compelled to expand and make space, even if grudgingly, for different sections of the lower castes. While forming

coalitions in politics the lower castes compete among themselves intensely at the social level for an entry into the growing middle-class.

To conclude, while "Mandalised politics" has prevented the political organisation of the lower castes into one single class of the oppressed proletarians, it has generated an aspiration among many of their members to enter the "middle class". And the possibility of realising this aspiration has been opened up, among other things, by the policy of reservation.

Significantly, this politics has also given rise to several political parties claiming the representation of lower castes rather than a common political organisation of the lower castes. Politicisation of castes has thus created a profound impact on the social structure of post-Independent India. It has worked towards opening spaces for members of different lower castes in the "middle class". In the process, the middle class is not only growing in size, but is changing both its character and composition.

Put in a nutshell, with increasing modernisation of the economy and competitiveness of its representational politics, India's pyramidal stratificatory system is enlarging in the middle.

# Dalits: miles to go

Gail Omvedt

THEY were the lowest of the Brahminical social order. known as Antyajya, Ahandala, Atishudra, Panchama, Avarna. They were "untouchable," sometimes unapproachable and unseeable, even their shadows polluting. Gandhiji named them "Harijan," but from the 1930s, they began to call themselves "Dalit" – the downtrodden, crushed – and it is as Dalits that they have spearheaded the movement for social justice in the post-Independence India.

The roots of their struggle for equality and freedom reach as far back in Indian history as caste oppression itself, and in "modern" times, their movement can claim to predate all other social movements: in 1800, a group of Ezhavas tried to enter the Vaikom temple in Kerala, a claim to equality for which they were murdered and their bodies buried in a tank in a corner of the temple grounds. Such struggles are usually seen as movements for "social reform" but, according to a recent seminal reinterpretation of Indian pre-Independence history by G. Aloysius, these represented nothing less than true nationalism – a revolutionary, transformative struggle challenging the monopoly of power and knowledge, seeking to rip away the feudal hierarchy and constitute a modern nation of equal citizens.

This raises the question what, in fact, is or was the "Dalit movement" and, equally complex, who are the "dalits"? Are we talking of struggles of only the former untouchables, or of a broader, anti-caste movement whose struggle for justice inevitably brought in all the issues of exploitation and liberation? The question of identity has never been simple. The ascribed quality of being polluting and "low" in the hierarchy, the assignment to manual and sometimes degrading labour and the exclusion from power and knowledge are shared under the caste hierarchy to a greater or lesser degree by almost all those classified as Shudra or Ati-Shudra.

Today, the section of the Indian population which is a-Brahmin, a-Kshatriya and a-Vaishya (including the religious minorities) is called "Bahujans" by Kanshi Ram and estimated at 85 per cent, a realistic estimate for Indian society today and historically as well.

Those who are classified as the "Scheduled Castes" today, Dalits in the narrow sense, are the jatis (castes)

at the bottom of this polluting ladder, but even here the lines between the "touchable" and the "untouchable" were never clear. The Ezhavas who fought the earliest recorded fight for temple entry and produced such leaders as Narayana Guru are classified as the OBC and not the SC by government criteria: so are the Shanars (today's Nadars) whose early 19th century fight for women to wear blouses challenged another marker of the caste hierarchy.

The Dalits themselves have sometimes viewed their movement narrowly in terms of the scheduled list and at other times, claimed a broad identity.

Leaders such as Ayyankali of Kerala, Acchutanand of Uttar Pradesh, Bhagyareddy of Hyderabad and, of course, Dr. Ambedkar himself, were all of the "Scheduled Castes." But Jotiba Phule – who is seen today as the forerunner of the anti-caste movement and who gave it much of the ideology of being "non-Aryan" original inhabitants of India – was a gardener by caste: Bhima Bhoi.

Orissa poet and reformer who led a march in 1881 to Puri to reclaim the once-tribal devata Jagannath, was also of a caste considered the OBC and not the SC; Sri Narayana Guru was an Ezhava, while Periyar (a Naicker) and Shahu Maharaj (a Maratha) are all considered foundational to the heritage of their movement.

When this phase of the modern movement ended with the death of Dr. Ambedkar in 1956 it was, significantly, marked by the conversion to Buddhism and formation of a Republican Party, projected as the spiritual and political platforms not simply for former untouchables but for the regeneration of all of India. In the 1970s when the "new Dalit movement" emerged, along with environmentalism, feminism, movements of farmers and others not covered by the classic "class" categories, it again claimed liberatory aspirations. The Dalit Panthers proclaimed that their goal was not simply "a little place in a Brahmin alley" but "the rule of the whole country," a "tidal wave of revolution." Their manifesto defined the "Dalits" as "members of the Scheduled Castes and Scheduled Tribes, neo-Buddhists, the working people, the landless and poor peasants, women and all those who are being exploited politically, economically and in the name of religion."

This inclusive definition proved to be controversial:



Dr. B. R. Ambedkar ... beacon light of the Dalits.

debates on "who is a Dalit," on "class versus caste" and on "Marxism versus Ambedkarism" defined the contours of the personality-based faction fights that quickly tore apart the Panthers. Nevertheless, their struggle, born in the slums of Mumbai, sparked eruptions throughout the country. Following the Panthers' rise came an explosion of organisations in almost every linguistic region and in villages and slums throughout the country. Perhaps the longest lived was the Dalit Sangarsha Samiti, organised all over Karnataka after riots provoked over a description of Brahmin literature as "cattlefeed": the Karnataka youth not only defended themselves but moved forward to "throw the Brahmins into the gutter along with the Gita," and their organisation managed to contain within itself the ideological contradictions of "Marxism", "Lohiaism" and "Ambedkarism", as well as the jati infighting of

sied, the "Dalit" became a mass symbol of revolt, so much so. A. K. Roy of the Dhanbad working class struggle could speak of a "new Dalit revolution" and the question was posed, "will the caste war turn into a class war?". This meant adding social and cultural dimensions to economic issues. In fact, the movement had a multifaceted expression, ranging from resistance to "atrocities" to an aspiration for political power that found expression both in the gun and the ballot, while struggles on the ground ranged from issues on water to reservation to the building of statues and the renaming of universities.

The Dalits produced new literature, new theatre and art, sought new religious and spiritual expressions. Nor could patriarchy within the lowest castes be avoided for long. Poor Dalit women were part of the rural and urban slum struggles from the very beginning, while the educat-



A helpless woman at Tsundur village in Andhra Pradesh.... canker of caste.

Holeyas and Madigas (though the position of the OBCs remained ambiguous).

The naxalite movement itself is sometimes claimed to be a Dalit movement: in Andhra Pradesh and Bihar, it was the Dalit rural poor who formed the ranks of violent struggles for land and self-respect, and it was the educated Dalit and other lower caste youth who formed an important section of their cadre. Yet, challenges to caste oppression did not fit easily into class ideology, and the Dalits never made policy for the parties. Perhaps for this reason an independent Andhra Dalit Mahasabha eventually emerged, while the former PWG leader, K. G. Satyamurthy and the civil rights activist, Kancha Ilaiah, broke away from their organisations to raise issues of Brahminism, on the one hand, and "Dalitbahujan" leadership, on the other. The CPI(M) also faced such breakaways as Sharad Patil's Satyashodhak Communist Party in northern Maharashtra; this was based on Adivasis and drew in the Dalit and the OBC youth proclaiming "Marxism-Phule-Ambedkarism" as the true revolutionary ideology for India. As the ideological struggles intensi-

ed activists such as Ruth Manorama of Bangalore or Kumud Paude of Nagpur made contributions to the broader feminist movement from the 1970s, though it was only from the early 1990s that they began to organise specifically Dalit women's groups.

Yet the ambiguity of the "Dalit" identity remained. In spite of the broad definition of the Panthers and in spite of the history of emergence within a broader anti-caste movement, the fragmentations of caste continued to shape the contours of organisations. These remained in fact limited to the "Scheduled Castes" and in most cases to one particular (usually the most numerous) Scheduled Caste. Looked at in one way, it was not the "Dalit Panthers" or "naxalites" or even the "Buddhists" who were asserting themselves, but whole communities such as Malas, Madigas, Paraiyas, Pulayans, Panos, Chamars, Musahars, Matangs and Mahars were asserting themselves. This was the "Dalit movement" as a social reform movement still trapped in the framework of caste-class society.

Yet, even the most jati-based movements always had a

broader, transformative aspect, even if expressed only in terms of alliance. The Panthers expressly designated the Left parties as their friends, and almost all independent Dalit organisations broadly associated themselves with the progressive-democratic political forces. This was also true of Prakash Ambedkar's reorganised Bharatiya Republican Party, formed in 1985, which sponsored the formation of a separate Bahujan Mahasangh for the OBCs. The firm Dalit support to OBC reservation in the Mandal Commission showed an awareness of the need for unity, even if conflicts between the OBCs and the Dalits were often sharp and violent in some localities. The process of unification for transformation probably reached its climax in the late 1980s, when the Dalits, the OBCs, farmers, women, environmentalists all seemed to be coming under the umbrella of what was then the V. P. Singh-led National Front, backed firmly by the Left parties.

Today, however, a seemingly similar "United Front" Government finds itself at odds with a significant section of the anti-caste movement. The problem appears from both sides. From the Dalit side, break with the Left-alliance politics began with the claim that the Brahmin-dominated communists were as much enemies as the Brahman-dominated Right parties, while the Dalit movement itself was a foundational movement capable of expressing the interests of all the oppressed and therefore needed no alliances. This position was argued vigorously in *Dalit Voice*, whose editor, Rajshekhar, saw the "socialist Brahmans" more dangerous than the "sacred Brahmans" in one of the few humorous (though heavily vitriolic) political booklets in India, *Dialogue of the Bhoodevatas*. It was expressed politically by Kanshi Ram's Bahujan Samaj Party, which rejected the term "Dalit" for the broader "Bahujan" – though the main base of the party was among north Indian Chamars – and verily set out to draw in Muslims, Christians and the caste-groups now being identified as the OBCs (Other Backward Classes).

The antics of the BSP in oscillating in and out of power in India's most populous State in alliance with the BJP have antagonised many one-time supporters, but were logical in terms of the argument that all political parties were "Manuwadi" (i.e., supporters of the "Brahminical social order").

Not only have the alliances with the Left and other social movements been fractured today, but the "internal" contradictions of the anti-caste movement seem to have come to the fore. On the one hand, there has been a violent rural rioting between the Dalits and the OBCs in Tamil Nadu, while antagonism between similar groups in Uttar Pradesh underlies that State's political convulsions. On the other, increasing State-level political struggle between different Scheduled Caste jatis has emerged, as Matangs challenge Buddhists in Maharashtra, and Madigas mount their own movement in Andhra Pradesh.

Behind this looms the continuing, deadly logic of caste. Caste fragments as it hierarchises, and just as the strongest groups among the most degraded and the most polluting have formed the firmest base for movements

challenging caste identities, so it has hampered moving beyond these. As a result, the "Dalit movement" has too often been in reality not an overall transformative movement but a social reform movement identified with a set of castes, even a single caste.

In spite of Ambedkar's dream of a Prabuddha Bharat and a political platform for all the oppressed, Buddhism and all sections of the Republican Party in Maharashtra today remain identified not simply with the "Dalits" but with one jati among them, the Mahars. For all their broad rhetoric, it was also true of the Dalit Panthers, just as the Andhra Dalit Mahasabha was dominated by Malas. It is this dominance leading to exclusion that has provoked separate movements of other ex-untouchable jatis, and fuelled antagonism with sections of the OBCs. Fifty years after Independence, then, the picture seems to be one not of Dalit liberation but of jati assertion and jati competition? How much is this due to the politics of reservation? There is no denying that reservation in employment and education has made it possible for students from the poorest of backgrounds to come to the top, to achieve dignity, to return sometimes to lead fights in their own villages; the argument that reservation only produces or benefits an "elite" or "middle class" among the Dalits is hypocritical coming from those who for

over a thousand years have sought to monopolise knowledge and power. Yet, political reservation has clearly fostered infighting rather than autonomy; where the Dalits and the OBCs have been truly able to claim leadership it is through fighting unitedly, for "open" as well as "reserved" seats, on their own political platform and with their own vision.

It is worth remembering that Ambedkar's original position at the Round Table Conference in 1930 was that if there was universal suffrage there would be no need for political reservation; and even though he accepted the compromise of the Poona Pact, he believed till the end that the elected Dalits would simply become stooges of the upper caste-dominated parties.

The problem of persisting jati identities and caste hierarchies and the continuance of all the patterns of inhuman disdain for labourers and those who labour are most of all linked to the failure to reconstruct the broad vision of transformation – political, social, cultural, educational and spiritual, redefining all of Indian tradition and claiming the heritage of the best of world culture – that was characteristic of the greatest of pre-Independence anti-caste leaders. In remaining simply a "Dalit" movement in the narrow sense, in failing to become a truly liberatory movement, much has been achieved in terms of challenging the hierarchies and feudal jati relations, yet the greater promises remain unfulfilled.

Still, fuelled by the hatred of oppression, the aspiration and dreams remain:

"The sun of self-respect has burst into flame –  
let it burn up these castes!"

Smash, break, destroy these walls of hatred.  
Crush to smithereens this eons-old school of blindness.  
Rise, O people!

# Religious Fanaticism and Communalism

Asghar Ali Engineer

*Religion in itself is neither fanatic nor communal. The threat to socio-economic interests from competing social forces leads to political mobilisation, with religion being used as a pretext.*

RELIGIOUS fanaticism and communalism are two different things yet they have many similarities. Sometimes it becomes difficult to draw a line between the two. These two words are often used interchangeably though not justifiably. We have to understand their proper connotations. It is always not possible to define every concept correctly and precisely. Each living concept is rooted in human life and, like it, tends to be very complex, hiding within it various dimensions. Yet we cannot do without definitions. We shall try to define both fanaticism and communalism to convey some of their relevant aspects, if not all.

Before we go on to define fanaticism and communalism we would like to say a few words about religion as it is a common denominator for both. Religion is also not easy to define. However, we would like to throw some light on its main characteristics. The word religion is of Latin origin and its Latin form *religio* carries the sense of binding together. Religion not only binds its followers together but also provides them with a system of beliefs, rituals, institutions, traditions and a sense of sacred. It also gives meaning to their life and a way of relating themselves to the universe and its creator. In other words, it gives them a sense of divine. Thus, the *New Webster's Dictionary* and *Thesaurus* defines religion as follows: "man's expression of his acknowledgement of the divine, a system of beliefs and practices relating to the sacred and uniting its adherents in a community, e.g., Judaism, Christianity..."

As pointed out above, definitions and dictionary meanings do not convey the complexities of real life. For the people, religion means much more in practice. Many of them claim religion is a way of life and encompasses all aspects of their lives. Also, all religions are not God-centred. In Asia, apart from these God-centred religions, there have been other religions which are either atheistic or indifferent to God like Jainism and Buddhism. For these religions, God is irrelevant yet they have rich content of spiritualism and holiness. They also evolved a complex constellation of rituals, traditions

and institutions. Also, fanaticism, may not be quite alien to them.

We would now like to define fanaticism and communalism. Let us tackle fanaticism first. Fanaticism can be defined as over-enthusiasm and zealousness. This over-enthusiasm may cross all bounds of reason and may tend to become wild and dangerous. Fanatics always act zealously. Such zealousness may result in severe problems for humanity at large. It must be pointed out that fanaticism is not related to religion; it is related to human psychological type. In other words, fanaticism is not religious but a psychological category. A believer in religion may be open and liberal and another may be fanatical and overzealous about his/her beliefs. Unfortunately these two distinct categories are often mixed up both by believers and non-believers. Many people tend to think that religion means fanaticism and closed-mindedness. It is far from true. In fact religion *per se* is neither fanatical or liberal. It is what its follower makes it out to be. Also, fanaticism may not be a permanent characteristic of a person. He or she may be fanatic in certain phase of life and may become more open in another phase. Fanaticism has partly to do with lack of knowledge too. One may hold fast to a belief simply on account of ignorance. Acquisition of knowledge may bring about radical change of belief. But again there are different character types. Some people may refuse to acknowledge new frontiers of knowledge and may stick fast to their own age-old beliefs.

Also, at times it becomes difficult to distinguish between firmness, zealousness and fanaticism. In certain situations firmness in one's beliefs may become socially and politically necessary and yet it may border on fanaticism. Such situations arise during the periods of radical social changes and political upheavals. The role of 'Ulama after the British take over in India is a good example of this. They firmly adhered to their religious beliefs and traditions. They considered the British rule as not only alien but also an invasion on their religion. Though the Christianity (which was formally the religion of the British rulers) was not alien

to them as the Crayon considers it a revealed religion and categorises the Christians as *Ahl al-Kitab* (people of the book), yet the 'Ulama developed a strong prejudice against them and even described them as *kafirs* which was not technically correct.

Yet, such a behaviour is not quite unexpected in the context of the radical socio-political changes which were then occurring in the country. India was witnessing a great socio-political upheaval. Indian people in general, and Indian Muslims, in particular, had developed a great sense of insecurity which any social or political upheaval naturally brings. In such insecure situations one wants to conserve one's beliefs, traditions and institutions. One wants to raise walls of separation from the one perceived as 'the other'. Those who show such excessive zeal in times of upheaval, become totally blind to the newly emerging reality and display the characteristics of fanaticism.

Going further back into Islamic history, one notices that the sack of Baghdad in 1258 by the Mongols similarly induced great sense of insecurity among the Muslims in general and the 'Ulama in particular. The gates of *ijihad* (creative interpretation) were closed thereafter and the dynamism of Islamic spirit began to stagnate. Imam Ghazali's *Ihya al-'Ulum* (Revivification of Knowledge) is representative of this sense of conservation. Thus, firmness of beliefs in a period of social upheaval and radical change can push one into the hands of fanaticism.

Also, one cannot ignore the role of interests in determining one's attitude towards religion or any system of beliefs, for that matter. No doubt one may tend to be fanatic mainly due to one's sincere zeal for a particular religion or political ideology. But, more often than not, one's interests tied to that religion or ideology may also make a person 'fanatic'. In this connection it is interesting to note that during the phase of modernisation in Afghanistan in the 1930s, some highly orthodox 'Ulama issued a fatwa that it is unislamic to construct roads mainly for the fear that if these roads are constructed modern medicines and judicial system will enter the remote villages and the 'Ulama will lose hold over people's minds, and may probably starve. Many who take religion as their profession (being ordained as priests or earning one's livelihood through leading prayers in mosques or temples, etc., or by selling amulets) are more likely to resist change since their interests lie in maintaining status quo.

The Indian 'Ulama also resisted change in the post-mutiny period because they feared that they will have absolutely no place in the British judicial system. The Britishers

were ushering in radical changes all around. During the Moghul period the 'Ulama wielded great influence in several spheres, including the political. They feared, and rightly so, that under the British, they would be losers. The Muslim feudal and religious elites lost political and religious power to the new rulers. A section of the feudal elite could at least politically collaborate with the British but the 'Ulama had no such avenues available. They thus remained vehemently opposed to everything British, be it social, legal or political. That partly explains the total refusal of the 'Ulama to collaborate with the alien rulers. It is also to be noted that the 'Ulama generally came from the poorer classes (either from the lower middle or the artisan classes in the urban areas and the poor or marginalised peasantry in the rural areas). They not only had narrow social vision but also felt threatened by the modern changes and hence opposed them. It is a well known fact that the Muslim artisanry was totally ruined by the introduction of modern British industrial goods and thus they remained the greatest opponents of the British rule in India. Many children of these artisans subsequently joined the ranks of the 'Ulama. Thus, these sections of Indian society completely lost out when modern changes were introduced in the society.

As opposed to the 'Ulama, a section of the scions of feudal families began to enthusiastically welcome British rule, modernisation and change as it could benefit them if they collaborated with the British rulers. They thus welcomed change and legitimised the changes by invoking relevant religious traditions. Sir Syed Ahmad Khan, a man of great vision, provided leadership to this section. It is interesting to note that both, those opposing change, and those welcoming it, invoked religion to justify their respective positions. It clearly shows that orthodoxy or fanaticism are not integral part of religion. Religion can be made to respond to different human interests and situations.

There was not much resistance to change on the part of Muslims in western India as they benefited by it. North India was the real seat of Muslim power. Unlike the north, Muslims in western India were led by trading communities who benefited by the new prospects of trade and the new educational system, thought to be beneficial for promoting it. While Sir Syed faced stiff resistance when he founded MAO College in Aligarh, Badruddin Tyebji received full co-operation from Muslims of Bombay when he founded the Anjuman-e-Islam High School. An educational institution was thought to be beneficial by the trading classes.

Thus, it will be seen that fanaticism and resistance to change is often dictated by the interests served by the old system. Moreover, as pointed out before, fanaticism cannot be

associated with religion alone. It can be true of any system of belief and ideology, social, cultural or political. When socio-cultural systems are under attack or invaded by foreign socio-cultural system, dogged and fanatical resistance can be built against it. Today we are passing through critical phase ushered by television and ever faster means of communication. It has become much easier now, than the 19th century, for western culture to invade us. Afro-Asian cultures have common elements but western culture – though it also differs from one western country to the other – is seen as totally alien by the peoples of Afro-Asian countries. No wonder that we often talk of 'cultural invasion' from the west. It is producing strong reaction in the Afro-Asian countries and various fundamentalist movements are partly the result of this invasion which is hostilely perceived.

We would like to throw some light on the fundamentalist movements which are considered as fanatical and rightly so. Fundamentalist movements, particularly the Islamic fundamentalist movements are partly the result of westernisation, secularisation and modernisation. All these processes are seen as totally alien by those who lost out and could not gain anything from them. The entire Muslim society is deeply divided due to modernisation and secularisation. The economic and political elites who have benefited support it, and religious elite and those strata of the society which were left out, oppose it (i.e., modernisation and secularisation). Be it in Algeria or Iran in west Asia, or Indonesia in the south east, causes are almost similar, though regional and local specificities cannot be ignored.

Before the Iranian Islamic revolution, the Shah's modernisation campaign though enthusiastically supported by the higher classes, was a disaster for the lower classes, specially the small peasantry and the slum dwellers of south Tehran. Shah's so-called land reforms also brought unmitigated disaster for the small holders as the big landsharks took over their land and the former ended up in slums of big cities. The increased oil prices also led to high rate of inflation hitting the poorer sections much harder. Unemployment also greatly increased as there was not much scope for industrialisation in the Shah's economic policies. These deprived sections stood behind Ayatullah Khomeini. They perceived modernisation and secularisation as nothing less than unmitigated disaster. Their economic plight worsened as fast as the upper class elite's plight improved. Their only refuge was traditional religion. It gave them emotional and mental comfort. For them what Khomeini called 'the great Satan' was an evil embodied, responsible for bringing change which harmed their lives.

How could change *per se* be welcome to them? Moreover, the change eroded all their cultural values. Women's modesty was destroyed and they were seen sporting mini-skirts, exposing parts of the body considered sin in a traditional culture. All traditions were hated by the westernised elite.

The religious elite either came from these lower classes or was in close touch with them. Also Iran had long history of confrontation between the clergy and the rulers. When the rulers trampled upon all traditions thoughtlessly and totally supported westernisation project, ignoring the prevailing social ethos, it produced strong reaction calling upon people to fight western imperialism and go back to Islam which is complete way of life. Such movements tend to be fanatical as they have to fight against the system and need much greater verve and energy. Moreover, the movement was perceived to be the liberator of the poor and the oppressed. It is interesting to note that Khomeini used a Qur'anic concept which stressed the inevitable struggle between the oppressed (*mustad'ifin*) and the oppressors (*mustakbirin*). In the given conditions in Iran this Qur'anic concept was highly appealing and people responded enthusiastically. Thus, the battle between the western neo-imperialism and Iran also became a battle between the western 'kufr' and Iranian Islam. Being a battle of liberation, the oppressed people of Iran fought it with unprecedented zealotry and vigour. Call it fanaticism or fundamentalism.

The traditional Asian societies in general, and the Islamic societies in particular, have a strong sense of sacred and are inspired by intuition or revealed truth. The concept of sacred and values derived from revealed truth play central role in the lives of the Asian people. Westernisation and modernisation, on the other hand, have no place for the sacred, not even for values. Being secular in nature, the western civilisation is achievement-oriented—achievement through any means. The Asian and Islamic civilisations, on the other hand, emphasise values, as opposed to achievements. The former leads to more competition and dynamism while the latter induces an attitude of contentment and stasis. For the former market is the greatest arena of achievement, for the latter it is only a means to fulfil genuine – as opposed to artificial – basic needs of life.

But while the west does not believe in reigning in or tempering its limitless desire for change and achievement with a sense of values, the orthodox and conservatives among Muslims do not accept any desirability for change at all. They tend to accept new science and technology if it benefits them (many of them are jet-sets like business elite and they are also using computers, television,

etc. for spreading Islamic orthodoxy) but reject any idea of change when it comes to religious dogmas, traditions and ideas. This duality is giving rise to serious social and spiritual malaise. Several contradictions have arisen which cannot be resolved easily. The question of status of women is foremost among these contradictions. When the Taliban captured power recently in Afghanistan, they declared that all girls schools will be closed down and that women cannot go out of their homes unaccompanied by close male relatives. In Saudi Arabia also women cannot go out unaccompanied by male relatives nor can they drive. There is no such divine injunction in the Qur'an. It was a convention which developed in early history of Islam – much after the death of the Prophet of Islam – when Islam was medievalised. The Islamic jurisprudence came under the influence of medieval feudal values. The liberative impact of Islam was completely lost.

It is this medieval Islam which is sought to be perpetrated by Taliban and others. The Taliban – madrasa students – themselves are product of conservative tribal society and their understanding of Islam is deeply influenced by their own tribal social ethos. They refuse to admit any change. For them change is *bid'ah* – innovation – and hence sin. Product of a stagnant society, the transcendent and liberative aspects of religion are totally lost on them. To refuse to admit any change, and excessive zeal for inherited religion, is fanaticism. Such fanaticism is harmful for deeper religious truth and its liberative potential.

Fanaticism, an irrational zeal for the given, not only refuses to admit liberative and spiritual potential of religion, also refuses to see the sociological impact on religious traditions. While the founder of a religion deeply influences social ethos, is also influenced by social traditions and practices. The religion cannot be frozen in a given spatio-temporal frame. Social dynamics brings about profound changes and one has to continuously endeavour to apply the core-values of religion to the newly developing situations. This is what the fanatics refuse to do. In the Islamic societies the women have suffered most by this fanatical refusal to admit change, and such fanaticism has brought only ridicule. The fanatics are trying to preserve their own traditional social values in the garb of Islam.

In fact no society escapes fanaticism, not even western societies. The concept of 'fundamentalism' is in fact the product of modern American society. Some Christians believed during the 1930s in the literal truth of the Bible, and they were described as 'fundamentalists'. It is this borrowed western concept which is being applied to some religious movements in Asia. Even today

there are evangelists in America who vigorously preach fundamentalism and have bought special TV channels for the purpose. Some, known as pro-life, kill those doctors and nurses performing abortion and burn down their dispensaries. New sects are born who preach violence and end-of-the world. The Shinrikhyo (the Supreme Truth) movement used poisonous gas in a Tokyo subway system to kill several people.

Hinduism, religion of amorphous nature, quite unlike Islam or Christianity, supposedly much more tolerant, also could not escape this fate. It produced fanatics who considered it their religious duty to demolish Babri masjid. Their tolerance was at its lowest and their behaviour totally irrational. In fact their fanaticism brought great shame to India. Of course, such high degree of fanaticism was induced through high pitched political propaganda to achieve a political goal. Nevertheless, the fact is that those hordes who demolished Babri masjid behaved as most excited zealots out to destroy the place of worship of others. Also, a large number of trishul-wielding sadhus joined in the despicable act. A sadhu is supposed to be highly restrained and capable of self-control because he achieves sadhuhood through years of *sadhana* (spiritual exercises). Unfortunately, they also behaved like an agitated mob showing high degree of fanaticism. The educated Hindu middle classes (with honourable exceptions of those who were committed to secularism and fought religious fanaticism) also showed similar traits. At certain junctures in history entire community comes under the influence of either religious or political fanaticism. The sense of being different and unique from others grips the mind. This happens at a time of crisis and social upheaval.

Similarly, the Buddhist monks in Sri Lanka showed strong trait of fanaticism and put pressure on the government not to give concessions to the Tamil community. Like Hinduism, Buddhism also apparently has no traits of rigidity and dogmatism. In fact, if one goes by the Buddha's teachings it is most rational, open and tolerant. There are no theological dogmas of any kind as far as Buddhism is concerned. Yet the Buddhist monks, who are also supposed to be self-restrained behaved like fanatics and zealots and contributed to ethnic crisis in Sri Lanka.

These examples clearly show that religious fanaticism exists in all religious or national communities which exhibits itself at crucial junctures. No community can boast of being free from it. However, what is necessary is to understand the underlying causes.

#### COMMUNALISM

As pointed out at the outset, there is much in common between religious fanaticism and communalism and yet there are important

differences. Religious fanaticism leads to strong feeling of self-righteousness and feeling of 'otherness' towards followers of other faiths. Also, it leads to the belief that truth is sole monopoly of one's own religion. In other words, it leads to the feeling of theological superiority. In this respect communal feeling is distinct from fanatical attitude. Communalism is more about conflict of interests between two communities. Before we discuss communalism, let us define communalism as best as we can.

Communalism has been defined differently by different scholars. In fact in English language, it is considered a positive rather than a pejorative term. For example, the *New Webster's Dictionary* defines it as something "belonging to a community" or "a system of decentralised government by which large powers are delegated to small communities". However, in Indian context, it is used in a negative and condemnatory sense. In Indian context we can define communalism as "secular conflict between two religious communities". Or, it can also be defined as "an attempt to achieve secular goal through religious means".

Communalism in this sense is a modern and not a medieval phenomenon. We do not hear of communal conflict between Hindus and Muslims in the Sultanate or Mughal period. This conflict came into being during the British period, specially after the failure of war of independence in 1857. There were two important factors contributing to the genesis of communalism: one, the British policy of divide and rule; and second, competition for political power between the Hindu and Muslim elite.

When the Britishers introduced, under pressure of public opinion, certain democratic measures and agreed to give some elective seats to Indians, the question arose in what proportions it should be distributed between the Hindus and the Muslims. In other words, it was competition between the power elites which threw up the problem of communalism. It should be understood that religion *per se* is not responsible for genesis of communalism, as commonly misunderstood. Religion, at best, is an instrumental and not the fundamental cause. Since religion has a strong appeal, it is used as an instrument by the power elite for achieving their secular objectives. The whole history of communalism is a witness to this.

In communal conflict, as distinct from religious conflict, no theological controversies are involved and no disputes about superiority or falsehood of this or that religion. The question is always about some secular objective. We will give a few examples to show the real nature of communalism in India. The biggest communal controversy during the freedom movement was about the share in power

between the Hindu and Muslim elite. Pakistan came into being on this question, not on any question of religious nature. It is interesting to note that the movement for Pakistan was led by Jinnah who was highly westernised and secularised person. He paid only lip service to Islam and was never a practitioner of his nominal faith. He was a political Muslim rather than a follower of Islam. He fought, not to uphold any Islamic doctrine, but to get larger share of power for the Muslim elite in independent India. A section of Muslim elite was demanding 33 per cent share in seats in parliament as against the 25 per cent population of Muslims. It was not acceptable to the Hindu elite.

The orthodox 'Ulama, on the other hand, stood for composite nationalism and vehemently opposed the creation of Pakistan. The Jami'at-e-'Ulama-i-Hind, the organisation of the Deobandi 'Ulama, which was highly prominent organisation of the Indian 'Ulama, always remained an ally of Indian National Congress. In fact, Jinnah was hard put to find support of any such prominent Muslim theologians. It clearly shows that the basis of Pakistan was not religion but a purely secular goal of share in power. Had that question been resolved to the satisfaction of both sides, Pakistan would not have come into existence.

Similarly, in the post-partition period, all communal controversies were secular in nature: either seeking the votes of this or that community or economic competition. Many scholars in this field, including this writer have been theorising that communal riots in the post-partition India have taken place in those regions where political or economic competition between the Hindus and Muslims was quite intense. Certain districts of the western UP which have more than 20 per cent Muslim population and which also have newly emerging Muslim entrepreneur class, saw much more communal violence than other districts. The first major riot after independence was caused, among other things, by intense competition between Hindu and Muslim beedi manufacturers in Jabalpur in 1962. Another major riot in Ahmedabad in 1969 was a result of polarisation of secular and communal forces in the country after Indira Gandhi split the Congress and appealed to the minorities for support.

The 1980s saw the highest degree of communalisation of Indian politics. There were several reasons for this and all these reasons were quite secular in nature. Firstly, Indira Gandhi leaned towards the Hindu vote after being unsure of the minority votes, particularly of Muslim votes. In a very subtle, and at times in an open, manner she tried to mobilise upper and middle caste Hindu votes and ended up communalising the political scene. She even lent subtle support to the Vishwa Hindu Parishad (VHP) and

used the controversy about conversion of few dalits to Islam in the Meenakshipuram district of Tamil Nadu to win the Hindu sympathy. She also tried to manoeuvre the militant Sikh politics in the Punjab to her advantage. She lent support to the militant Sikh like Bhindranwale.

Indira Gandhi's attempt to mobilise the Hindu vote in her favour led to intense competition with the BJP as the latter considered the upper caste and middle caste Hindus as its own constituency. The BJP was marginalised in the 1984 parliamentary elections after the assassination of Indira Gandhi and could win only two seats. The BJP then began searching for a powerful issue which would politically rehabilitate it. The unfortunate Shah Bano controversy, which the orthodox Muslim leadership – both religious as well as non-religious – tried to exploit to the hilt for its political windfall, led to another controversy, i.e., about the Ramajanmabhoomi-Babri masjid. Rajiv Gandhi, a politically inexperienced person and ineptly advised by his friends, while on one hand, agreed to change the secular law and enacted the Muslim Women's Bill (depriving them of the benefit of maintenance under the secular law), agreed, on the other, to throw open the doors of Babri masjid for Hindus to worship the idols of Ram and Sita which were smuggled into the mosque in 1948.

These controversies apparently religious in nature, were in fact political controversies and led to intense communalisation of Indian politics. The communal fanatics at last demolished Babri masjid leading to a communal disaster. The 1980s thus witnessed several major communal riots which shook

the whole country. Beginning with the Moradabad riot in 1980, the decade witnessed major riots in Biharsharif (1981), Meerut and Baroda (1982), Anti-Sikh riots (1984), Bhivandi-Bombay riots (1984), Ahmedabad riots (1985-86), Meerut riots (1987), Bhagalpur riots (1989), Hyderabad and several other riots in Karnataka, Gujarat, UP (1990). These riots were of course followed by Mumbai, Surat, Ahmedabad, Kanpur, Delhi riots after demolition of Babri masjid in December 1992-93. Several thousands of people, specially Muslims, died in these riots and their properties worth several crores destroyed.

However, there has been a general respite in communal situation thereafter and in last couple of years there have been no major communal riots. Only two minor unplanned riots in February in Moradabad and in March in Aligarh occurred in 1995. However, 1996 was almost riot-free year except three minor skirmishes in Pen and Junnar in Maharashtra and in Lucknow in UP, all at the end of September. This again shows that communalism and communal violence gets intensified during the period of political crisis or economic downturn generating high rates of unemployment or intense economic competition. Any religious controversy could be seized by the vested interests as a powerful instrument to promote their political or socio-economic interests.

It will be seen from the above analysis that in almost all the countries ethnic and communal conflicts have emerged due to democratic competition for controlling political or economic power. In all such conflicts, it is a universal rule that minorities suffer more than the majority.

# *Some Thoughts on Pluralist Model of Nation-Building*

ASGHAR ALI ENGINEER

We have entered the fiftieth year of our independence and it is high time we took stock of our inter-ethnic and inter-religious situation so that we can adopt corrective measures. Right from the day we thought of our nationhood in the late nineteenth century we were aware of our diversity, both ethnic and religious. In the nineteenth century itself there were palpable tensions among ethnic and religious groups. There were conflicting points of view between, for example, Bengalis and Punjabis and Rajputs. The Arya Samaj was insisting that the Sikhs were not a separate religious community and that they were part of the Hindu religion. Also, the Rajputs thought that they were a martial race and that the Bengalis who ran away at the very sight of a sword were seeking to dominate them.

The religious conflict had emerged on the scene from the beginning of the nineteenth century itself. Even before that it existed in its incipient state and riots had taken place between Hindus and Muslims in 1714 in Ahmedabad, 1719 in Kashmir, 1729 in Delhi, 1786 in the Bombay province. Then in the early nineteenth century, Benaras witnessed a bloody riot in 1809. Elsewhere too in UP a number of riots took place in Koil (1820), Moradabad, Sambhal, Kashipur (1833), Shahjahanpur (1837), Bareilly, Kanpur and Allahabad (1837-52), etc. In the late nineteenth century too many places were rocked by communal violence and these included Bombay city in 1893.

But despite these stresses and strains between ethnic and religious groups we resolved to be a

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secular nation and the Indian National Congress adopted a secular political philosophy right from the day of its foundation. Yet one could hardly avoid these conflicts. Though ethnic conflict did not surface much during the independence movement, communal conflict did and ultimately our country was divided on that basis. However, despite such severe strains our resolve to remain secular and, by implication, a pluralist nation did not diminish.

We drew up a Constitution for ourselves which enshrines pluralist values. It guarantees rights political as well as civil, religious as well as socio-cultural to one and all. But the past cast its shadow on our attempts to build a modern nationhood and we could not overcome the group conflicts of different varieties. Needless to say it is nowhere possible in reality to build an ideal society; an ideal pluralist society demands that all citizens, irrespective of their caste, creed, class, ethnicity and sex, shall enjoy not only equal rights but also security of life and property and avenues to promote their religion, language and culture while enjoying the fruits of economic development in an equitous manner. The Constitution of India does guarantee all this but there are serious and complex problems as far as their implementation is concerned. Our ideals are alright, our practices are not.

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In the last twenty years, an objective analysis of the situation in our country will show that we were enveloped by religious, communal, ethnic and caste conflicts. Not that the situation was quite satisfactory before, but it was certainly not that acute. Many

major communal riots had taken place during the sixties and the late seventies—Jabalpur in 1962, Jamshedpur and Rourkela in 1964, Ranchi in 1967, Ahmedabad in 1969, Bhivandi-Jalgaon in 1970, and Jamshedpur, Benaras and Aligarh in 1978. Minority groups were feeling insecure all along.

The caste conflict had also erupted since the late sixties. It was at the end of the sixties that 45 Dalits were burnt alive in Tamil Nadu and it was during the seventies that the Dalit struggle took a definite ideological shape in Maharashtra and elsewhere. Dr Ambedkar acquired a new significance for them and he emerged as a patriarchal figure for the Dalits and the backward castes. The ethnic struggle was confined, until the seventies, to the North-East and there too to chiefly Nagaland. Other sections of the population in the North-East were still not in turmoil as they are today.

However, it must be said that the decade of the eighties was the most dangerous for India. Be it caste or communal conflict, or ethnic and regional strife, it erupted with all viciousness on our national scene and began to seriously undermine our pluralist model. A new series of communal riots took place from 1980 onwards; these were much more vicious in character and destructive of life and property on a much larger scale. The Moradabad riot of 1980 or the Biharsharif riot of 1981, the Meerut riot of 1982 or that of Baroda in the same year, the Nelli riot of 1983 or the anti-Sikh riots of 1984, the Bombay-Bhivandi riot of 1984 or the Ahmedabad riots of 1985-86, the Meerut riot of 1987 or the Bhagalpur riots of 1989, or a series of riots in 1990 or the 1992-1993 riots of Bombay, Surat, Ahmedabad, Delhi and Kanpur—they were truly savage in character and totally destructive of our pluralist values. Thousands of Indian citizens, particularly those belonging to the minority communities, perished in these riots.—

The ethnic conflict also assumed a totally new dimensions in the same period. Punjab began to simmer since the early eighties. The students of Assam launched a movement against 'foreign immigrants' and soon communal conflict also erupted there in the early eighties. Then ethnic conflict spread to new areas like Manipur, Meghalaya and Bodoland which went up in flames as well. Kukis and Nagas, Bodos and Santhals, plain tribes and hill tribes—all began to fight. The North-East became a virtual inferno. Then it was the turn of Kashmir in the late eighties. Thousands have already been killed in that unfortunate State so far.

The question that arises is: why did these conflicts become so vicious during this period? Neither had

our constitutional political discourse changed nor had our secular commitment diminished. Then what went wrong and what could be done to correct it? In fact many reasons could be cited for this. Ever greater democratic awareness, intensification of the democratic process, ever increasing consciousness of various sections of the population of their democratic rights engendered conflict between these sections. Democracy brings about radical change in the past power equations. The old power elite, mainly drawn from the upper castes, soon found themselves being replaced by new power elites drawn from the subaltern castes and classes.

Also, the all-India elite found themselves being challenged by the newly emerging regional elite. The changing power equations with the deepening of democratic processes thus generated intense conflict between upper castes and lower castes, between minorities and majorities, and between all-India and regional elites. These elites then increasingly used religion, caste or regional identities for mobilising support. Thus religious, caste and regional identities acquired new significance. National identity became more and more secondary in this process.

The dominant majority began to confront a serious challenge to its power, prestige and domination; and it adopted, as a result, not only a more aggressive majoritarian discourse, but also invented a powerful religious symbol in the form of the Ram Janmabhoomi temple issue in order to weld the Hindu society together. For almost half a decade this majoritarian and religious discourse came to occupy the prime political space and the secular political discourse began to lose ground, at least for the time being. The pluralist model of nation-building came under strain and the social space between religious, caste and ethnic groups began to shrink. Thus our pluralism and respect for others started to crumble.

♦

APART from struggle between castes and communities, struggle within castes and communities also takes place and this intra-community struggle for domination is often as vicious as inter-communal, inter-ethnic or inter-caste struggle. We have seen this in Punjab, the North-East as well as in Kashmir. Thus despite the democratic polity, intolerance spread and the space for dialogue shrunk. Majoritarian attitude and hegemonic values are an antidote to democracy and the pluralist model of nation-building.

The Hindi belt or what is also referred to as the cow belt, constituted the core nationality and for a

number of years this core nationality had assumed a dominant role. Communal politics had its strongest roots in this region. The BJP also relied mainly on this belt for capturing the hearts and minds of the people by manipulating their religious and caste sentiments. It was domination by this core nationality that was resented by the peripheral ones. It is this core nationality which marginalised the other nationalities. Their ethos became the dominant nationalist ethos and their culture was projected as the 'mainstream culture'.

No pluralist model of nation-building can accept such a majoritarian ethos as the dominant national ethos and the dominant culture as the mainstream culture. The very word 'dominant' smacks of an anti-pluralistic spirit. What is most essential for a democratic-pluralistic model of nation-building is harmonious coexistence of all religions, cultures and ethnicities without any one acquiring a dominant position. The majority community, be it religious, linguistic or ethnic, is always tempted to adopt a majoritarian approach in politics and that is what is at the root of the problem. Our Constitution did foresee this eventuality and, therefore, provided due safeguards in Articles 25 to 30. These Articles have often come to the rescue of the non-dominant religious, cultural or linguistic minorities. But as far as the complex socio-political processes are concerned, constitutionalism also has its obvious limitations. When the majority community launches, in complete disregard of the constitutional provisions, a belligerent, chauvinistic religious or ethnic movement, pluralism collapses and intolerance rules the roost. This is what happened during the eighties and early nineties. Though after the frenzied demolition of Babri Masjid religious chauvinism has receded somewhat—it might well prove temporary—the ethnic conflict is still raging in Kashmir and the North-East. Hundreds of lives are being lost even now. It is quite clear from this that ethnic fundamentalism is as harmful for a pluralistic model as religious fundamentalism. The Kashmiri militants, the Bodo militants and the Naga militants are intolerant to the extreme. The Bodos murdered several Santhals as also Muslims to retain their domination over the area.

The pluralistic model can successfully work only if it is a just model. If domination is sought to be established by any group, be it political or economic, the spirit of justice vanishes and the model will crumble. A pluralist society has to be necessarily just, tolerant and dialogical. Even if any unintended imbalances develop, one has to resort to dialogue and discussion. This is again possible only if the

groups are sensitive to each other's needs and aspirations. This sensitivity is the life-blood of a pluralist model. If we are totally insensitive to the other's aspirations, the pluralist model will collapse like a pack of cards.

TODAY Indian polity is more competitive than pluralistic. The competing groups stop at nothing. A pluralistic model should be cooperative rather than competitive. In fact our pluralism has been seriously weakened by highly ambitious competitive groups. What matters to them is their ambition to dominate and maximise their share in the national resources. This leads to extreme reaction from the dominated, and an unending vicious cycle of violence and retaliation starts. Thus a pluralist society has also to be a non-violent society. No violent society can ever lay claim to pluralism. Violence destroys it completely.

To lay down ideals is, of course, easier. But to build a truly pluralistic society is a highly painstaking and patient job. It requires deep conviction and zealous commitment. It is a job of a statesman and not of a power-hungry politician. A passion for justice and a quality of compassion towards life are essential for building a pluralist society. This task is all the more difficult today.

The modern society which is also aspiring to become globalised and liberalised—minimising state intervention in economy—is full of contradictions. Though it does not approve of religious fanaticism, it is, at the same time, destructive of compassion and sensitivity to others' suffering. Its predominant values are competition and success, whatever the human cost. Accumulation is the only passion. It generates deep discontents and psychological imbalances. Thus for some people religious fundamentalism becomes very reassuring. The more insecure one feels, the more reassuring religious fanaticism is. That is precisely why fundamentalism is so appealing to many today. And the fundamentalist mind-set leads to more intolerance.

Thus to save the pluralistic model of nation-building we have to devise a more just and balanced way of economic development. It should be need-oriented and not greed-oriented. It has to be cooperative and not competitive. It should be value-based and not simply growth-oriented. Thus a pluralistic nation-building model is integrally connected with a balanced and just development model.

# Restructuring the Polity : the Panchayati Raj

GEORGE MATHEW

The following is the text of the M.N.Roy Memorial Lecture delivered by the author who is the Director, Institute of Social Science, New Delhi. The lecture was organised by the Indian Renaissance Institute (New Delhi, March 21, 1997).

I consider it an honour to have been invited to deliver this year's M. N. Roy Memorial Lecture. This year is M. N. Roy's 110th birth anniversary. This is an occasion to pay our tributes to this great revolutionary, creative thinker and philosopher, who has influenced the thinking of several generations in our country and abroad, on politics and society.

One of the seminal ideas of M. N. Roy was decentralisation of power. In one of his writings a few months before his death, he expounded his ideas on decentralisation of power. He said:

Ultimately the problem of democratic political practice is that of decentralisation.<sup>1</sup>

He further said:

Decentralisation of democracy will prevent centralisation of power, and the function of the state will be reduced to coordination of the activities of the other autonomous social institutions.<sup>2</sup>

For, Roy saw in the common people the capacity to manage their affairs in spite of several social handicaps they faced.

It is true that the common people are illiterate; they may not be able to govern the country. But at the same time, is it not a fact that left to themselves, even the most ignorant peasants can manage their affairs better than our present government? The distrust for the ability of the common people to think for themselves and take care of themselves is only a pretext for seizing power in their name and abusing that power to suppress their liberty.<sup>3</sup>

Roy believed that people's committees must be the basic units of an organised democracy. In 1949 he wrote that the existing Village Panchayats set up in some parts of the country can be built up as units of organised democracy.<sup>4</sup> He wrote in the strongest terms against concentration of power, which in the early fifties he saw in party politics and all the more in one-party rule. He advocated partyless democracy. In Roy's view people's committees were to function without political parties.

The subject of my talk today is the emergence of Village Panchayats at the centrestage of the political process since 1993, it becoming the subject matter of discussion and debate and its relevance and impact for the restructuring of Indian polity. In other words, Panchayati Raj today and what it holds for the future.

India's Constitution was adopted by the

Constituent Assembly on November 26, 1949 and, according to this Constitution, India is a Union of States. Moving the Draft Constitution, B. R. Ambedkar said that the use of the word 'Union' is deliberate. The Drafting Committee wanted to make it clear that though India was to be a federation, the federation was not the result of an agreement by the States. The federation is a Union because it is indestructible. According to Ambedkar, rigidity and legalism were the two serious weaknesses of federalism. The Indian system was unique inasmuch as it created a dual polity with a single Indian citizenship and it can be both unitary as well as federal, according to requirements of time and circumstances. Federal, in structure and functions during normal times, it can be transformed into a unitary state during emergencies.

It was not a perfect document and it called for constant changes to suit the changing times. As of today, Parliament has passed 86 amendments to the Constitution. Although the Union of India meant division of powers between the Centre and the States, the experience in the last four decades or so has been that of centralisation. Articles 249, 250, 252, 352 and 356 have been used<sup>5</sup> by the Union to enhance the powers of the Centre, thus acting against the federal principle.

The serious flaw of the Indian Constitution adopted by the Constituent Assembly was that it did not give primacy to the local governments—the panchayats and municipalities. They found a place only in the Directive Principles (Article 40 of the Constitution), which is not justiciable. The federal structure has only two tiers: the Union and the States; and the local bodies did not have any role—neither developmental nor governmental. It was left to the states to

take steps to organise Village Panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government.<sup>6</sup>

It took 43 years since the Constitution of India was adopted, for the local bodies in the country to become statutory bodies. On December 22, 1992, Parliament passed the Constitution (Seventythird Amendment) Act 1992 and after several other

been interpreted in two ways: First, when the Constitution says that panchayats are institutions of self-government, it implies that they must have autonomy and the power to govern in an exclusive area of jurisdiction. So governance by elected representatives of the people, according to the constitutional provisions, is its essential element. The Seventythird Constitutional Amendment gives the panchayats this distinct status. Therefore, it is the *de facto* third-tier of governance.

The second interpretation is that it is only strengthening 'administrative federalism' and nothing more than that. For instance, Prof S. Guhan argues that the provisions of the Seventythird Amendment strengthen 'administrative federalism' in order to facilitate and encourage delegation of administrative and financial powers from the States to local bodies. "Their administrative powers and responsibilities and the financial resources to exercise these powers and to discharge the responsibilities are entirely derived from legislation that will have to be passed by the state," says Guhan. They have no legislative or judicial powers and, therefore, in Guhan's view, just conferring constitutional status or having regular elections do not confer to them the status of the third tier of governance. The Haryana Conformity Act perhaps follows this line of thinking.

Prof Guhan's argument is technically valid. However, in countries where local bodies exist, they are given powers of delegated legislations, for example, budget, bye-laws and regulations. They also enjoy considerable powers of regulation attached to their functional responsibilities. Police and judicial powers could also rest with the panchayats. Nirmal Mukarji writes:

Two goals that have somehow remained outside the ambit of most thinking about local governance are decentralising the system of justice and, paralleling that, decentralising police functioning. There is clearly a linkage between the two... The Constitutional Amendments that gave birth to the new panchayats and municipalities were, however, completely silent on the subject... Very likely this was inadvertently done. Whatever the reason, decentralised justice now needs to be vigorously reviewed, for without a local "judiciary" local governance will remain glaringly incomplete..."<sup>10</sup>

It is evident that we cannot have decentralised system of justice (Nyaya Panchayats) without a decentralised system of policing. Therefore, in the not-too-distant future we will have Village, Block and District Police as well as City and Town Police.

The moves to make the local bodies really the third tier of governance in India have been incremental and there has not been a quantum jump. But the passage of the Seventythird and

Seventyfourth Constitutional Amendments could be considered as a watershed in this direction, because it has paved the way for the creation of district governments in the country. The fact that district planning responsibilities are also given to the local bodies through these amendments is a major step in the right direction. The chairperson and members of the District Panchayats elected by the voters of the district, hold the key to a new polity. So far districts were only administrative units. Now they are governance units. Till now, everything was centred around a Collector. In the new dispensation "Collector Raj" should give way to Panchayati Raj. In other words, we will have about 500 more Chief Ministers in the country. Certainly the present 26 Chief Ministers in the country will not appreciate it.

Thus, after about half a century doors are being opened for a reversal of the political system. Till today it was top heavy, everything flowing from top to bottom. It depended on the goodwill of those managing the system. The people at the bottom did not matter. In the place of a few thousand representatives of the people who managed the affairs of the country, now we have several lakh representatives to voice the concerns of people at different levels. Thus the new amendments and local bodies are a leap forward. The edifice of parliamentary democracy is for the first time seen from bottom upwards. No more can the people at the lowest level—the villages and municipal wards—be taken for granted. The MLAs feel threatened by this third tier. The MLA from Chattisgarh (Madhya Pradesh) said recently:

The MLAs' role had been minimised in the new order and it had weakened them in their respective constituencies. A system of 50 years can't be changed like this and MLAs dumped.

A lady MLA from Jabua, again from Madhya Pradesh, said:

Panchayati Raj, though good in many respects, had created unrest among MLAs.<sup>11</sup>

The State level politicians feel insecure with the new developments in the polity. The Chief Ministers and the ruling parties at the State level feel frightened at the possibility of people asserting their rights and punishing them and we know how they tried again and again to postpone the panchayat elections in spite of the constitutional requirements.

The new place which the local government system acquired through the constitutional amendments is nothing new. It was there in the spirit of the Constitution and democratic ethos in the forties and fifties. This was expressed in a landmark judgement

of the Allahabad High Court in the case of *Anugrah Narain Singh versus the State of UP* as early as 1962. The grievance of the petitioner was that for a long time no elections were held to the municipalities in the State and that the government was taking the stand that it has the freedom to decide whether to hold elections or not. In the erudite, exhaustive and enlightening judgement, the court gave the ruling that local self-government was a basic feature of the Constitution of India. It said that without local self-government the rest of the democratic structure will collapse. To quote:

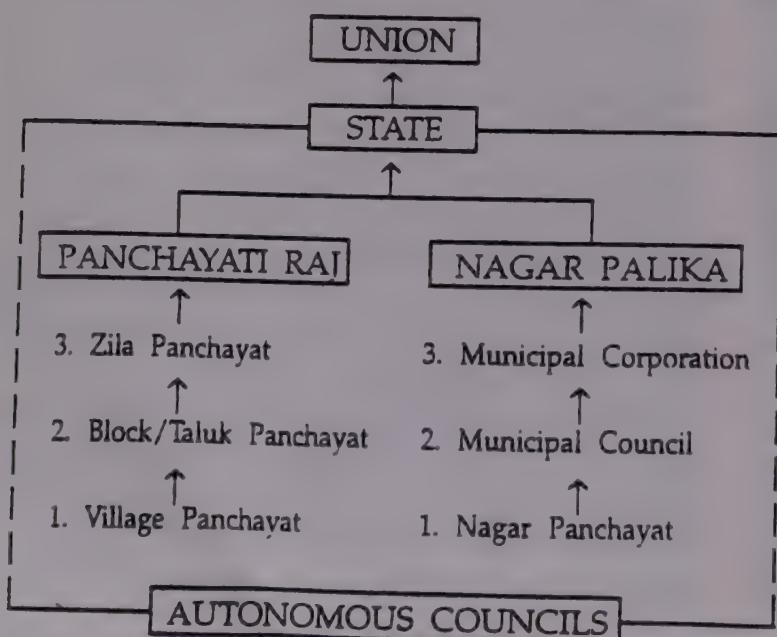
Local self-government was meant to go on progressively with greater participation of the people, whether in village or in urban areas. This continuity in bringing local self-government with people's participation at the grassroots level of democracy was to be protected and perfected and not to be forgotten. From down below, upto the centripetal power culminating in federal government, there was to be a process of representative government.

Local self-government is the arch upon which parliamentary democracy in this nation rests, and upon it a dome with State legislatures and the federal Parliament. The structure will collapse without the arches.<sup>12</sup>

Since the nation did not heed these words for three decades, the structure nearly collapsed. The political Emergency, suspension of democratic rights and their widespread violation even after Emergency, rise of terrorism and violence, political assassinations, secessionist tendencies—all showed that the structure was cracking and collapsing.

It is significant that today, we the people of India have given constitutional sanction to these arches on which the dome rests. It has opened up possibilities to look at the federal structure from below:

#### *Implication of Panchayati Raj/Municipalities as the Third Tier of Governance on India's Federal Structure*



#### Elections at the Local Bodies

THE elections to the panchayats in India have been an excellent barometer of functioning democracy. The polling percentage is high. In the recently concluded panchayat elections in Orissa, in some panchayats the voting was as high as 90 per cent.

The study of the Panchayat Election Process and Election Issues in Karnataka in 1995 and Tamil Nadu in 1996 reveals some interesting facts about the democratic process at the grassroots level.<sup>13</sup>

The most important aspect is that caste and religion which were playing a prominent role in deciding the outcome of elections in the last fifty years have shown signs of decline in the panchayat elections in some States. In Tamil Nadu, for example, during the 1996 panchayat elections, growing democratic consciousness of the people was clearly evident. Nearly 81 per cent of the respondents of a survey said that the religious or caste leaders did not direct the people to exercise their voting right in one way or other. To a direct question whether caste affinity was important for voting a particular candidate to power, for an overwhelming majority of 73.6 per cent, the caste of the candidate was not an issue at all. In Karnataka, for 63.2 per cent of the respondents the caste of the candidate was not an issue at all and 44.9 per cent of the respondents said they voted for a particular candidate because he/she was a good person. These election studies show that the local body elections lessen the intensity of casteism and parochialism. This is mainly because people in general give priority to the welfare and development activities in the villages or blocks, transcending caste or party politics. For the general voter in the villages the track record of the candidate on issues of corruption or ability to do some development work was more important. The May 1993 elections to the West Bengal panchayats also highlighted this positive aspect at the grassroots level.

#### Political Parties in Panchayat Elections

It is well known that M. N. Roy moved away from the politics of political parties. After his long experience in active politics and political parties, he came to the conclusion that

political parties are formed, not with the object of practising democracy, but of capturing power. They are guided by the dictum that the end justifies the means and the means often amount to the corruption and destruction of democracy.<sup>14</sup>

Gandhians, the Sarvodaya school, Jaya Prakash Narayan—all had advocated partyless elections to

the panchayats. In fact the Santhanam Committee on Panchayati Raj elections stated in 1964 that the most controversial issue the Committee had to deal with was whether and to what extent political parties should participate in panchayat elections.

However, in the given context of Indian politics and society, involvement of political parties in local government elections has become necessary. It is not without some positive aspects of social change. A few case studies of harassment and illtreatment of women Sarpanches (Presidents), members and office-bearers belonging to the Scheduled Castes in panchayats of Madhya Pradesh came to light only because there were political parties on the other side to take up the victim's cause. Also, field studies have shown that even in a highly politicised State like West Bengal, after the elections on party lines are over, all members cooperate for the development of the village. After all, if we have a multi-party election process for the State Assembly and Parliament, partyless elections at the base will be meaningless. Consensus will only perpetuate further the power of the landlords, the power of caste or the power of religion. There is no meaning in making a fetish about village harmony. Abdul Nazir Sab used to say:

Anyway in the villages there is Ramanna-Bhimanna politics. It is a reality. Isn't it healthier that they align on democratic party lines rather than on caste, religion, etc.<sup>15</sup>

#### Women and Weaker Sections in Local Governance

THE new panchayats and municipalities provide opportunities for weaker sections—the Scheduled Castes (SCs), the Scheduled Tribes (STs), who form 25 per cent of our population—to actively participate in them and get elected as members as well as chairpersons. The membership is decided by the proportion of their population in an area.

The Fifth and Sixth Schedules in the Constitution give special status and privileges to tribal areas. In reality, in tribal majority areas, non-tribals have been controlling the affairs, dominating the scene and destroying the tribal tradition. Tribal land was appropriated by non-tribals. The high-level committee under the chairmanship of D.S. Bhuria, Member of Parliament, set up by the Union Government in July 1994 to suggest proposals to extend the 73rd Constitution Amendment to the Scheduled Areas, had recommended: (i) to constitute a village assembly in all tribal villages because the community should be the basic unit of self-governance in tribal areas, (ii) to reserve a majority of seats in all levels of the elected bodies for members of the Scheduled Tribes,

and (iii) only a tribal could be elected as a Sarpanch.

Both Houses of Parliament have adopted the Panchayats (Extension to the Scheduled Areas) Bill, 1996, framed in accordance with the recommendations of the Bhuria Committee in December 1996. The Act will benefit the Scheduled Areas referred to in Clause (1) of Article 244 of the Constitution, which include areas in Andhra Pradesh, Bihar, Gujarat, Maharashtra, Madhya Pradesh and Rajasthan.

A unique feature of the new phase in panchayats and municipalities in India is that it has ensured one-third representation for women in the local bodies and one-third of the offices of chairpersons at all levels in rural and urban bodies for them. This has created the possibility for about 10 lakh women to get elected to the panchayats and municipalities. A statistical analysis of the elections held so far for the panchayats shows that there are 7,16,234 women already holding elected positions in the country. This number does not include Manipur (details were not available), Bihar and Jammu & Kashmir where elections are not yet held. When we include women members at three levels of the municipalities also, it may touch the 10 lakh mark. This is no mean achievement. It is important to note that in several States more than the mandatory 33.3 per cent women got elected. The latest panchayat elections show that women responded in full measure to the opportunity provided to them. In West Bengal, on an average nearly three candidates contested every seat reserved for women at the Village Panchayat and Panchayat Samiti levels, with the number going up to four at the District Panchayat level. Out of 24,855 seats reserved for women in three tiers, only 561, or a little over two per cent only, went uncontested.<sup>16</sup> The last two to three years are replete with stories of how women panchayat members and Sarpanches assert their rights and things change for the better. Today even if 25 per cent of the elected women representatives work successfully it shows great promise.

#### Problems of the Third Tier of Governance

THE basic principle on which the Panchayati Raj system has been envisaged is that, whatever can be done best at a lower level, must necessarily be done at that level and not at the upper level, and only those things which cannot be done at the lower level must go to a higher level.

But it must be stated here that the first five or ten years of the new panchayats and municipalities

is a period in which lot of trial and error is bound to take place. It is a "gestation period" because, it is not easy to change the mindset that has dominated the last five decades of independence. How we can shorten this gestation period should be the major concern of all concerned. Let me identify some issues which pose problems for panchayats to become "institutions of self-government".

1. In the State Panchayat and Municipal Acts after 1993, one finds that the States have accepted the letter of the Seventythird or Seventyfourth Amendments rather than their spirit. In many State Acts, civil servants are given powers indirectly over the elected body. Transfer of activities and functions to panchayats is taking place very slowly. Only in places where strong demands from below—the Village Assembly (Gram Sabha), Village Panchayats and District Panchayats as well as enlightened citizens' organisations come up, attempts to devolve powers are taking place.

2. Another problem is that although States have enacted Conformity Acts, many States have not formulated rules and bye-laws for the day-to-day functioning. Added to this, the necessary infrastructural facilities are lacking for panchayats in many States.

3. The reluctance of State-level politicians to recognise the importance of the lower levels of governance—their autonomy, their powers and their areas of functioning—is creating a serious problem. The Ministers, the MLAs and senior political leaders are worried that the power they enjoyed so far will diminish if the panchayats and municipalities become powerful. The attitude of the Madhya Pradesh MLAs, cited earlier, is not an exception. The State-level leaders do not like the leadership to emerge from the lower levels, which could pose challenges to them in due course. They do not want active and functioning local bodies to be 'nurseries' of leadership. Therefore, the MLAs put hurdles in the smooth functioning of panchayats to prevent them from blossoming into full-fledged local governments. In Orissa, when the new government came to power in early 1995 it decided to dissolve the duly elected panchayats and municipalities. The real reason for this action was that the MLAs were impatient to wrest full control of large sums of money coming to the panchayats through the Central Government schemes for rural development. The case of the recent drought relief measures was no different. If panchayats function properly with a large number of elected representatives and under the critical eye of the Opposition at the local level, people will

become aware of their rights through regular participation in the panchayat programmes and activities, resulting in the decline of the powerful position the MLAs enjoy today.

4. The government officials and government employees prefer to work with a distant control mechanism—that is, the State capital. They do not want to be closely supervised under Panchayati Raj. Therefore, their non-cooperative attitude towards elected panchayat members is a major issue. The association of primary school teachers had passed resolutions expressing their unwillingness to work under the panchayats. Even in a State like West Bengal with a long history of Panchayati Raj, whenever the staff is placed under the panchayats, court injunctions come against such actions. The Minister for Panchayats in West Bengal, Dr Surjyakanta Misra, stated recently that hundreds of such court injunctions are pending against the department orders.<sup>17</sup>

A related issue is that the officials who work at the district level and below are reluctant to take orders from the elected panchayat executives like the District Panchayat President, Block Samiti President or Village Panchayat President. We need a new culture of democracy to make the local governments work.

5. The low level of political consciousness in many parts of the country is another factor which will pull the new Panchayati Raj backwards. The States of Bihar, Madhya Pradesh, Rajasthan, Uttar Pradesh and Orissa, with a population of about 370 million (1991 Census), have a low Panchayati Raj performance rating. The main reason is the low level of political awareness, prevalence of feudal authority and feudal values. Madhya Pradesh was the first State to hold elections to the panchayats after the Seventythird Constitution Amendment and elected local bodies came into existence. But reports began to appear in newspapers that all is not well with their functioning. A chain of events were reported from different parts of the state: a lady president was stripped naked, another lady president was gang raped, a lower caste vice-president was tortured, a Scheduled Caste panchayat member was beaten up. A sociological investigation of these incidents showed that,

a panchayat is a microcosm of the society of which the village forms a part. The noble ideals of "institutions of self-government", as expounded by the Seventythird Constitution Amendment, cannot be translated into reality in the present inequitable society.<sup>18</sup>

All the case studies investigated, illustrated that there exists a social system which violates the

# Karnataka

Area: 191,791 sq km; Capital: Bangalore; Language: Kannada; Districts: 20; Population: 44,817,398; Males: 22,861,409; Females: 21,955,989; Increase (1981-91): 7,681,584; Growth Rate (per cent) 1981-91: 20.69; Density (persons per sq. km.): 234; Urban Population: 30.92%; Sex Ratio (fe-

males per 1000 males): 960; Literacy: 55.98% Males: 67.25; Females: 44.34; Per capita income (89-90): Rs. 4075. 1991 Census final population total: 44,977,201.

Karnataka is the eighth largest state in India both in area and population. It was formerly known as Mysore. On November 1, 1973 the name Mysore was changed to Karnataka under The Mysore State (Alteration of Name) Act 1973.

The change is much more than a change in

# Karnataka



nomenclature. It is the revival of a great image of the region which, under the name of Karnataka, had attained glorious heights in history.

**Physiography:** Karnataka is situated on the western edge of the Deccan plateau and has for its neighbours Maharashtra and Goa on the north, Andhra Pradesh on the east and T. Nadu and Kerala on the south. On the west, it opens out on the Arabian Sea.

Physiographically, the state can be divided into four regions: (1) The Coastal Region. (2) the Malnad, (3) the Northern plains and (4) the Southern plains.

The two important river systems of Karnataka State are the Krishna and its tributaries (Bhima, Ghataprabha, Malaprabha, Tungabhadra and Vedavati) in the north, and the Cauvery and its tributaries (Hemavati, Shimsha, Arkavati, Lakshmana Thirtha and Kabini) in the south. Both these rivers flow eastward and fall into the Bay of Bengal, the Krishna passing through Andhra Pradesh and the Cauvery traversing Tamil Nadu.

A number of smaller rivers flow westward into the Arabian Sea. Of these Sharavati, Kalinadi and Netravati are important to Karnataka. They are being tapped for hydro-electric power.

**History:** The name Karnataka is derived from Karunadu, literally, lofty land. As much of Karnataka is high plateau land, the name is fully justified. The history of Karnataka goes back to the dim days of the epics. The capital of Bali and Sugreeva, monkey kings of the Ramayana, is said to have been Hampi in Bellary district. Vatapi, associated with the Sage Agastya, is obviously Badami in Bijapur district.

In the 4th century B.C. Karnataka was part of the great Mauryan Empire. Siwamagiri (Kanakagiri in Raichur district) is said to have been the southern capital of the Mauryas. About 30 B.C. a local dynasty, Satavahana, came to power. The Satavahana Empire lasted nearly 300 years. With the disintegration of the Satavahana dynasty, the Kadambas came to power in the north, and the Gangas in the south. The gigantic monolithic statue of Gomateswara at Sravanabelagola is considered to be a monument of the Ganga period.

By the beginning of the sixth century A.D., the Chalukyas established a new empire. After the Chalukyan empire, the Yadavas of Devagiri and the Hoysalas of Dwarasamudra divided Karnataka between them.

In the 14th century, the great Vijayanagar empire was established. It was an age of glory and prosperity. A confederation of the Muslim sultans of the Deccan destroyed the Vijayanagar Empire in 1565 (Battle of Talikota). The vast ruins at Hampi, near Hospet, remain to-day as sombre reminders of Vijayanagar glory.

In A.D. 1399 Yaduraya, the ruler of a small principality, Mysore, founded the Wodeyar dynasty.

Raja Wodeyar (A.D. 1578—1612) enlarged the principality into a mighty kingdom, with Srirangapatnam as his capital. The Wodeyars were overthrown by Hyder Ali, the intrepid Muslim general of Mysore. With the defeat of Tippu, the son of Hyder Ali, by the British, the Wodeyars were restored to power as a feudatory of the British.

During British rule, the Karnataka area was distributed among the Princely States of Mysore, Hyderabad, and the British provinces of Bombay and Madras and the small principality of Coorg.

The formation of the present State represented the fulfilment of the age-old aspirations of Kannada-speaking people to come together in a single state. The old Kingdom of Mysore formed the nucleus of the new state. Under the States Reorganization Act, the Kingdom of Mysore gathered around the districts of Kanara, Bijapur, Dharwar and the major portion of Belgaum district in the Gulbarga, Raichur and Bidar districts, from the princely State of Hyderabad, Dakshina Kannada district (excluding Kasargod Taluk) from the old Madras Presidency and the whole of the Part C State of Coorg.

**Administration:** The Legislature is made up of two houses, the Legislative Assembly of 224 members and the Legislative Council of 75 members.

The state is divided into 20 districts.

## Districts

District	Area in (sq km)	Popula- tion '91	Head quarters
Bangalore	8005	4823951	Bangalore
Bangalore Rural	3814	1665468	Bangalore
Belgaum	13415	3520406	Belgaum
Bellary	9885	1892715	Bellary
Bijapur	17069	2914667	Bijapur
Bidar	5448	1251060	Bidar
Chickmagalur	7201	1016839	Chickmagalur
Chitradurga	10852	2177638	Chitradurga
Dakshina			
Kannada	8441	2692081	Mangalore
Dharwad	13738	3498814	Dharwar
Gulbarga	16224	2573900	Gulbarga
Hassan	6814	1566412	Hassan
Kodagu	4102	485229	Madikeri
Kolar	8223	2211304	Kolar
Mandya	4961	1643626	Mandya
Mysore	11954	3155995	Mysore
Raichur	14017	2307049	Raichur
Shimoga	10553	1900429	Shimoga
Tumkur	10598	2301448	Tumkur
Uttara Kannada	10291	1218367	Karwar

**State of Economy:** Karnataka is predominantly rural and agrarian. About 76 % of its population lives in rural areas while about 71%

of its working force is engaged in agriculture and allied activities which generate 49% of the state income.

Among the agriculture crops, Karnataka accounts for 59% of the country's coffee production and 47% of the country's ragi production. Rice, jowar, ragi, millet, ground nut and sesame are other crops.

There are a number of big industries. Machine tools, aircraft, electronic products, watches and telecommunication equipment are some of the items produced. Important public sector units are Hindustan Aeronautics, Hindustan Machine Tools, Bharat Earth Movers, Bharat Electronics, Indian Telephone Industries and National Aeronautical Laboratory. The state-owned Viswesvaraya Iron & Steel Ltd., Bhadravathi, produces special steel and alloy steel. Peenya, the biggest industrial estate in Karnataka, is one of the largest in the country.

Kudremukh Iron Ore is another major development project. Karnataka accounts for 85 per cent (467 tonnes) of the raw silk produced in the country. Karnataka's sandal soap and sandal oil are well known in world markets. The third naval base in India with an outlay of Rs. 2000 crore is being set up at Karwar.

**Universities:** Bangalore University, Bangalore; Gulbarga University, Gulbarga; Indian Inst. of Science, Bangalore; Karnataka University, Dharwad; Kuvempu University, Shimoga; Mangalore University, Mangalore; University of Mysore, Mysore; University of Agrl. Sciences, Hebbal; University of Agrl. Sciences, Dharwad. A Sanskrit University named after Rajiv Gandhi is proposed to be set up at Sringeri. The government has decided to grant the status of deemed university to five institutions which come under the Manipal Academy of Higher Education. These are: The Kasturba Medical College, and the Associated Teaching Hospitals, the College of Dental Surgery (all in Manipal), College of Nursing and associated teaching institutions (Mangalore). The Rajiv Gandhi University is the latest addition. The National Institute of Mental health and Neuro Sciences [NIMHANS], Bangalore has been recognised as a deemed university.

**Tourist Centres:** The 'garden city' of Bangalore has been adjudged the cleanest city in India more than once. A trip from Bangalore to Mysore, the capital of the Wodeyars via Srirangapatnam, the capital of Tippu Sultan, is quite rewarding.

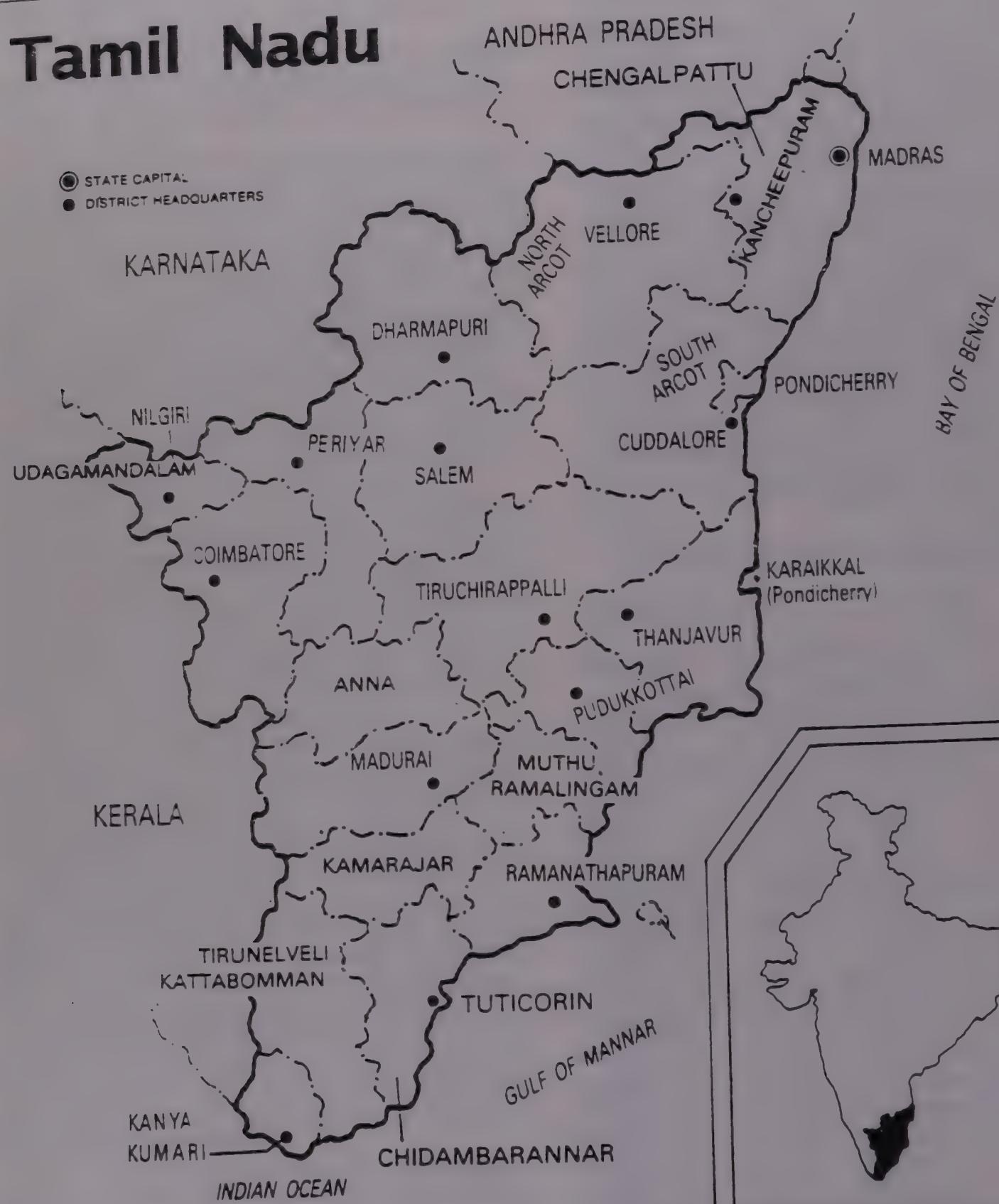
Mysore city is famous for the Dasara festival during September—October. The famous Krishnaraja Sagar dam and Brindavan gardens are nearby.

Among the natural parks is Bandipur Wildlife Sanctuary, 80 km south of Mysore. Belur, on the bank of river Yagachi, was once the flourishing capital of Hoysala Empire. Sravanabelagola

where the 18-metre statue of Gomateswara stands is a Jain pilgrim centre. Gersoppa (Jog Falls) is world famous.

**Governor:** Khurshid Alam Khan. **Chief Minister:** H.D. Deve Gowda [Janata Dal]

# Tamil Nadu



# Tamil Nadu

**Area:** 130,058 sq km; **Capital:** Madras; **Language:** Tamil; **Districts:** 23; **Population:** 55,638,318; **Males:** 28,217,947; **Females:** 27,420,371; **Increase in (1981-91):** 7,230,241; **Growth Rate (per cent) 1981-91:** 14.94; **Density (persons per sq. km.):** 428; **Urban Population:** 34.15%; **Sex Ratio (females per 1000 males):** 972; **Literacy:** 63.72%; **Males:** 74.88; **Females:** 52.29; **Per capita income (90-91):** Rs. 4428. **1991 census final population total:** 55,858,946.

Tamil Nadu is situated on the south eastern side of the Indian peninsula. It is bounded on the east by the Bay of Bengal, in the south by the Indian ocean, in the west by the Arabian Sea and the States of Kerala and Karnataka and in the north by Karnataka and Andhra Pradesh. It is the eleventh largest state in India and occupies 4 per cent of the country's total area.

**Physiography:** The land mass of the state can be divided into two natural divisions; (i) the eastern coastal plain (ii) the hilly region along the north and the west. The coastal plain is usually sub-divided into (a) the Coromandel plain comprising the districts of Chengai Anna, South Arcot and North Arcot Ambedkar (b) the alluvial plain of the Kaveri delta extending over Thanjavur and part of Tiruchirappalli districts and (c) the dry, southern plains in Madurai, Ramanathapuram, Kamarajar, Dindigul-Anna, Kanyakumari, Pasumpon Thevar Thirumagan and Tirunelveli Kattabomman Districts.

Along the whole length of the western part, at a distance from the sea varying from 80 to 160 km runs the range of the Western Ghats, a steep and rugged mass averaging 1220 metres above the sea level and rising to 2440 metres at the highest point. The Palghat Gap about 25 km in width is the only marked break in the great mountain wall. To the south of this gap, the range is known as Anamalai (Elephant Hills).

On the east are the Palani Hills on which is situated the famous hill station Kodaikanal. The slopes of the Western Ghats are covered with heavy evergreen forests. These slopes are the sources of the rivers Kaveri, Vaigai and Tamaraparni. The Nilgiris and the Anamalai are the hill groups with the maximum height.

In the famous Ootacamund area of the Nilgiris District, is the highest peak Doddabetta, 2640 metres above the sea level. The so-called East-

ern Ghats begin in Orissa and pass through Ganjam district of Orissa and run south west through all the districts lying between Ganjam and Nilgiris plateau.

The rivers of the state flow eastward from the western ghats and are entirely rain-fed. The perennial rivers are:- Palar, Cheyyar, Ponnaiyar, Kaveri, Meyar, Bhavani, Amaravati, Vaigai, Chittar and Tamaraparni. The non-perennial rivers are the Vellar, Noyal, Suruli, Gundar, Vaipar, Valparai and Varshali. The 760-km-long

Kaveri is the great river of the state. Rising on Brahmagiri, a hill in Coorg in the Western Ghats, almost near the Arabian Sea, it travels the entire breadth of the peninsula and forms a large delta at its mouth in the Thanjavur District before flowing into the Bay of Bengal.

**History:** Tamil Nadu has a very ancient history that goes back some 6000 years. The state represents the nucleus of Dravidian culture in India, which antedated the Aryan culture in India by almost a thousand years. It is generally held that the architects of the Indus Valley Civilizations of the 4th millennium B.C. were Dravidians and that at a time anterior to the Aryans, they were spread over the whole of India. With the coming of the Aryans into North India, the Dravidians appear to have been pushed into the south, where they have remained confined. Tamil Nadu, with the other southern states Andhra Pradesh, Karnataka and Kerala, today form the repositories of the Dravidian Culture.

The Dravida country of which modern Tamil Nadu formed a part, was reputedly under three dynasties, Chola, Pandya and Chera from the 4th century B.C. The Cholas occupied the present Thanjavur and Tiruchirappalli Districts and surrounding territories and excelled in military exploits. In the 2nd century B.C. a Chola Prince, Elara, conquered Ceylon (Sri Lanka). The Pandyas excelled in trade and learning. They controlled the districts of Madurai and Tirunelveli and part of South Kerala. A Pandiyan King sent an ambassador to the Roman Emperor Augustus in the first century B.C. The Cheras were powerful on the west coast in what is, today, Central and North Kerala.

The Pallavas of Kanchi rose to prominence in the 4th century A.D. and dominated the south for another 400 years. In the sixth century they overran the Chola dominions and carried their arms as far as Ceylon (Sri Lanka). The famous Alvars and Nayanars, sage-poets, flourished during the Pallava era. In the 9th century the last of the Pallavas was defeated by the Cholas who again became a great power in the south.

In the 13th century the Pandyas became dominant! Their kingdom was a great centre of international trade. The rise of Vijayanagar spelt the decline of the Pandyas. They were ultimately defeated by Vijayanagar, and their territories were annexed to the Vijayanagar Empire. With the disintegration of the Vijayanagar Empire, Tamil Nadu was parcelled out among several petty kings.

The rise of Muslim power in India has had its impact on Tamil Nadu, but by and large, Tamil Nadu remained unaffected by the political convulsions in north and central India. With the establishment of the East India Company at Madras in 1639, a new chapter was opened in the history of Tamil Nadu. Slowly but steadily, the whole of Tamil Nadu and most of South India came under British sway.

When India became free, the old Madras province, comprising Tamil Nadu and Andhra Pradesh and part of Kerala continued as the state of Madras. But the agitation for a separate Andhra state compelled the Government of India to bifurcate the State into two separate States. Andhra Pradesh to include the Telugu-speaking areas and Madras, the Tamil speaking areas. The old capital Madras City was retained by the new Madras State.

Under the States Reorganization Act 1956, Madras lost the Malabar District and the Kasargod taluk of S. Kanara District to the newly formed state, Kerala, while Madras gained four taluks of the Trivandrum District and Shencotta taluk of the Quilon District from Kerala. The four taluks thus gained were constituted into a new district of Madras as the Kanyakumari District. The new Mysore State (Karnataka) absorbed some parts of the old S. Kanara District (excluding Kasargod taluk) and the Kollegal taluk of the Coimbatore District. In April 1960, 405 sq miles of Chittoor District in Andhra Pradesh was transferred to Madras in exchange for 326 sq miles from Chengalpattu and Salem Districts.

On Jan. 14, 1969, Madras State changed its name to Tamil Nadu. However, the capital city is still known by its old name, Madras.

**Administration:** The legislature consists of one house the Legislative Assembly. The Legislative Council was abolished in 1986.

The state is divided into 25 districts.

## Districts

District	Area (sq km)	Population 1991	Head- quarters
Chengai-MGR	7,857	4,653,593	Kancheepuram
Coimbatore	7,434	3,531,078	Coimbatore
Dharmapuri	9,622	2,428,596	Dharmapuri
Kanyakumari	1,684	1,600,349	Nagercoil
Madras	174	3,841,400	Madras
Madurai	7,057	3,449,662	Madurai
Dindigul			Dindigul
-Anna	5,952	1,768,679	
Nagapattinam			
Quaid E Millat	4,614	2,387,864	Nagapattinam
Nilgiris	2,549	704,827	Udagamandalam
N. Arcot-Ambedkar	4,314	3,026,432	Vellore
Periyar	8,170	2,322,851	Erode
Pudukkottai	4,649	1,322,494	Pudukkottai
Ramanathapuram	4,133	1,135,887	Ramanathapuram
Kamarajar	4,243	1,554,350	Virudhunagar
Pasumpon Thevar			
Thirumagan	4,050	1,074,989	Sivagangai
Salem	8,650	3,914,239	Salem
S. Arcot	3,564	2,122,759	Cuddalore
Thiruchirappalli	11,075	4,114,323	Thiruchirappalli
Thanjavur	3,603	2,138,845	Thanjavur
Tirunelveli			
Kattabomman	6,838	2,493,189	Tirunelveli
Thiruvannamalai-Sambuvarayar	6,191	1,997,458	Tiruvannamalai
Chidambaranar	4,621	1,455,920	Tuticorin
Viluppuram			
Ramasamy Padayachi	6,896	2,755,674	Viluppuram

**State of Economy:** Agriculture is the mainstay of Tamil Nadu's economy. The yield of rice amounting to 2.5 tonnes per hectare is among the highest in India. At the end of 1993, Tamil Nadu achieved a production level of 68.05 lakh tonnes of rice and other cereals, and 3.42 lakh tonnes of pulses.

Tamil Nadu's sugarcane yield of 100 tonnes per ha is a world record. About 3.5 lakh acres have sugar cane grown on them. Cotton is grown in 2.8 lakh ha.

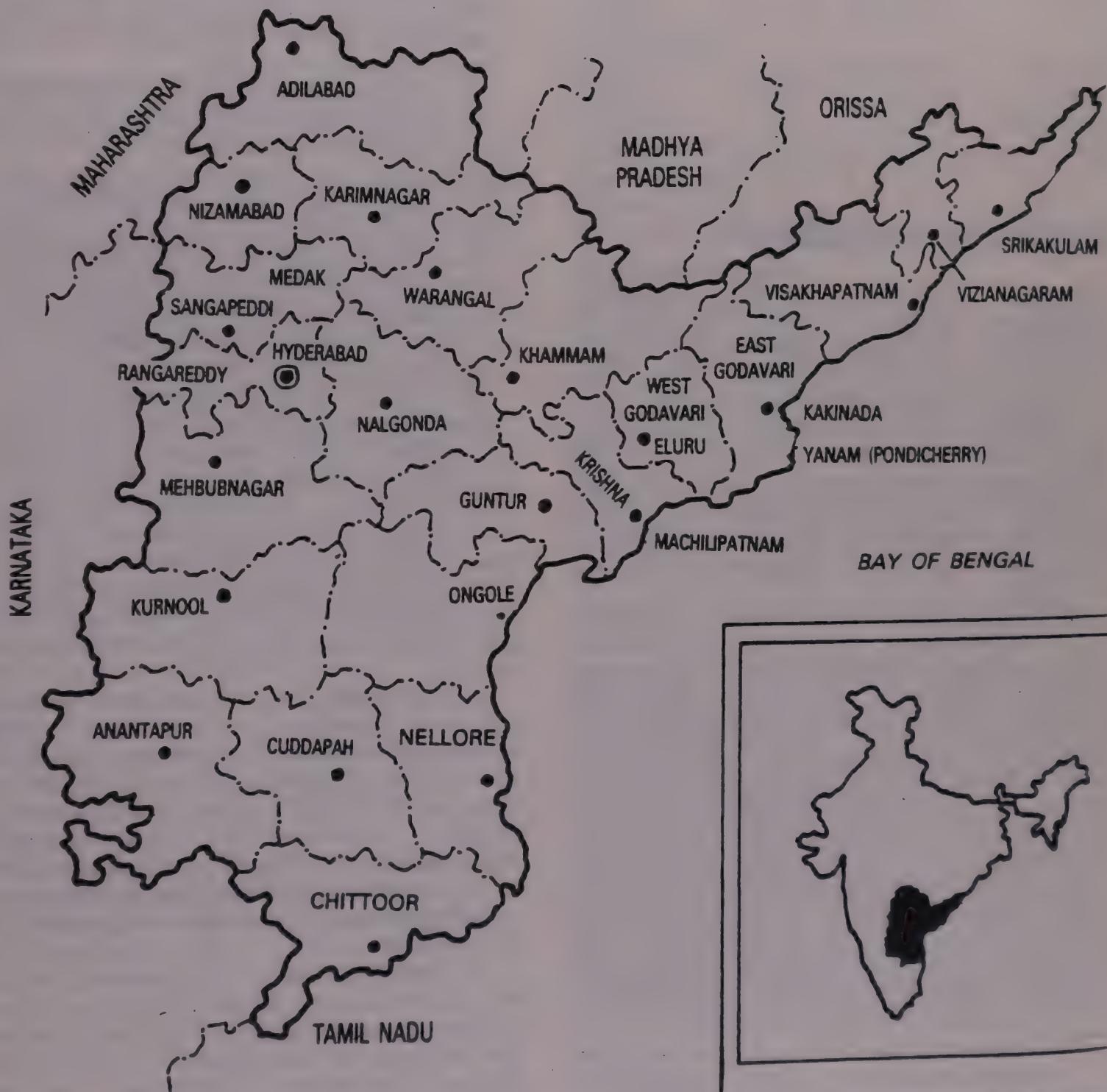
The principal plantation crops are tea and coffee.

Tamil Nadu accounts for nearly one fourth of the spinning capacity in India, one fifth of cement, caustic soda and nitrogenous fertilisers and one tenth of the nation's production of sugar, bicycles and calcium carbide. Tamil Nadu produces 60% of safety matches and 77% of finished leather.

The Tamil Nadu Industrial Development Corporation (TIDCO), State Industries Promotion Corporation of Tamil Nadu (SIPCOT) and TIIC are the major Corporations set up to provide financial assistance and technical knowhow to large, medium and small scale industries. With the aid of these Corporations, industrial complexes called growth centres and industrial estates have been provided in different parts of Tamil Nadu Hosur, Ranipet, Guindy, Ambattur, Karaikudi, Sivagangai, Paramakudi and Tiruchirappalli. Major ports are Madras and Tuticorin. Main railway junctions include Madras, Madurai, Tiruchirappalli, Coimbatore and Salem. The length of road network is nearly 1.70 lakh km.

**Universities:** Sri Avinasalingam Inst. for Home Sci. & Higher Edn. for Women, Coimbatore; Tamil University, Thanjavur; Tamil Nadu Agriculture University, Coimbatore; Mother Teresa Women's University, Madras; University of Madras, Madras; Madurai Kamaraj University, Madurai; Indian Inst. of Tech., Madras; Gandhigram Rural Inst., Gandigam; Bharathiar University, Coimbatore; Bharatidasan University, Tiruchirappally; Alagappa University, Karakudi; Anna University, Madras; Annamalai University, Annamalainagar, Tamil Nadu; Dr. M.G.R. Medical University, Madras; Tamil Nadu Veterinary and Animal Sciences University, Madras; Manonmaniam Sundaranar University, Tirunelveli. Deemed University: Kancheepuram; SRM College & Research Institute, Madras.

# Andhra Pradesh



## Andhra Pradesh

Area: 275,068 sq km. Capital: Hyderabad; Languages: Telugu and Urdu; Districts: 23; Population: 66,304,854; Males: 33,623,738; Females: 32,681,116; Increase (1981-'91): 12,755,181; Growth Rate (per cent) 1981-'91: 23.82; Density (persons per sq. km.): 242; Urban Population: 26.89%; Sex Ratio (Females per 1000 Males): 972; Literacy (per cent): 45.11; Males: 56.24; Females: 33.71. Per capita income (90-91): Rs. 4507 (provisional). 1991 Census Final Population Total: 66,508,008.

**Physiography:** Andhra Pradesh is the fifth largest state in India, both in area and population. Bounded by MP and Orissa in the north, the Bay of Bengal in the east, T. Nadu and Karnataka in the south and Maharashtra in the west, AP forms the major link between the north and the south of India. The northern area of AP is mountainous with an annual rainfall of 110 to 125 cm. The highest peak *Mahendragiri* rises 1500 m (4920 ft.) above the sea level. As we go further south, the rainfall comes down to 50 cm (20 inches) annually. The climate is generally hot and humid. AP is principally fed by the south west monsoon. The north east monsoon contributes about one-third of the rainfall.

The *Krishna* and the *Godavari* are the major river systems in the state. The Godavari is the largest and the broadest river of South India. The *Tungabhadra* is an important tributary of the Krishna. Other important rivers are the *Pennar*, *Vamsadhara* and the *Nagavali*. All these rivers are rainfed, and are of great economic

significance because of their rich hydropower and irrigation potential.

**History:** The word Andhra is equally applicable to the land, the people and the language, although the language in course of time developed a name of its own - *Telugu*.

The Andhras, originally an Aryan race, migrated to the south of the Vindhya range where they mixed with the non-Aryan stocks. Andhra Pradesh first enters history as part of the great Mauryan empire.

In the 13th century, the Kakatiyas, with their capital of Warrangal, dominated Andhra Desa. In 1323, the Tughlak Sultan of Delhi captured the Kakatiya ruler and ended the dynasty. The Tughlaks never cared to annex the Kakatiyan dominions and four local kingdoms arose out of the old Kakatiyan empire.

One of these kingdoms was Vijayanagar. The Vijayanagar empire stood as a bulwark against Muslim expansionism for more than 200 years. Vijayanagar had to contend with Muslim sultanates in the north time and again. Sometimes Vijayanagar joined one sultan against another. These tactics finally led to a grand alliance of the sultanates of Ahmadnagar, Bijapur, Golconda and Bihar against Vijayanagar. On 23rd January, 1565 the Deccan sultans humbled the mighty Vijayanagar army at the battle of Talikota.

The Qutb Shahis of Golconda laid the foundations of the modern city of Hyderabad. Emperor Aurangzeb routed the Qutb Shahis and appointed Asaf Jah the governor of Deccan. As the Mughal Empire tottered under Aurangzeb's successors, the Asaf Jahis made themselves independent rulers under the title of Nizam. The Nizams became involved in the Anglo-French wars in the Deccan and had finally to enter into a subsidiary alliance with the British in 1800.

Andhra Pradesh is the first state in India that has been formed on a purely linguistic basis. When India became independent, the Andhras, that is, the Telugu-speaking people, were distributed in about 21 districts, 9 of them in the Nizam's Dominions and 12 in the Madras Presidency. On the basis of an agitation, on Oct. 1, 1953, 11 districts of the Madras State were put together to form a new Andhra State with Kurnool as capital.

On Nov. 1, 1956 in accordance with the recommendations of the State Reorganization Commission, the Andhra State was enlarged by the addition of nine districts formerly in the Nizam's Dominion. Hyderabad, the former capital of the Nizam, was made the capital of the enlarged Andhra State.

AP thus consists of three distinct regions: (1) coastal region, made up of nine districts, generally called Andhra, (2) the interior region,

consisting of four districts collectively known as Rayalaseema and (3) Telengana region, consisting of the capital Hyderabad and nine adjoining districts.

From 1969 to 1972 AP was rocked by riots, first in Telengana, then in Andhra on the question of bifurcation of the state. The Central Government refused to consider the question of bifurcation. A six-point formula was put forward by the Prime Minister Mrs. Indira Gandhi as a compromise. The formula was generally accepted and peace was restored in the state. The six-point formula has been incorporated into the Constitution as the Thirty-second Amendment 1973.

**Administration:** The legislature in the A is unicameral, the Legislative Assembly has 29 seats. A.P. Legislative Council was abolished 1985.

**State of Economy:** A.P. has a widely diversified farming base with a rich variety of cash crops. It is surplus in foodgrains and can rightly claim to be the granary of the south. Agricultural sector accounts for around 50% of the State's income and provides livelihood for 70% of the population. The crops extensively cultivated in the state are paddy, jawar, bazra, ragi, maize, groundnut, chillies, tobacco, cotton, castor and sugarcane. A.P. leads all other states in the production of tobacco with a virtual monopoly of virginia tobacco.

There are 828 medium and large scale industries with a capital investment of Rs. 11,763 crore providing employment for more than 4.96 lakh persons. There are 98,868 small scale units with investment of Rs. 1,245 crore providing employment to 8.6 lakh persons.

The Visakhapatnam Steel Plant started operation in 1990.

With a 970-km coastline, AP is the largest maritime State in India. The port of Visakhapatnam caters to M P and Orissa too.

No. of films produced in 1991: 174.

**Universities:** Andhra University, Waltair; Agricultural University, Hyderabad; Open University, Hyderabad; University of Hyderabad, Hyderabad; Jawaharlal Nehru Technological University, Hyderabad; Osmania University,

## Districts

District	Area (sq km)	Popula- tion (1991)	Head- quarters
<b>Rayalaseema Region</b>			
Anantapur	19130	3,183,781	Anantapur
Chittoor	15152	3,249,565	Chittoor
Cuddapah	15359	2,259,154	Cuddapah
Kurnool	17658	2,973,709	Kurnool
<b>Andhra Region</b>			
E. Godavari	10807	4,541,306	Kakinada
Guntur	11391	4,085,904	Guntur
Krishna	8734	3,693,179	
Machilipatnam			
Nellore	13076	2,390,485	Nellore
Prakasam	17626	2,750,340	Ongole
Srikakulam	5837	2,314,442	Srikakulam
Visakhapatnam	11161	3,272,110	V. Patnam
Vijayanagaram	6539	2,101,394	
Vijayanagaram			
W. Godavari	7742	3,513,979	Eluru
<b>Telengana Region</b>			
Adilabad	16128	2,080,231	Adilabad
Hyderabad	217	3,091,718	Hyderabad
Ranga Reddy	7493	2,528,208	Hyderabad
Karimnagar	11823	3,043,228	Karimnagar
Khammam	16029	2,200,081	Khammam
Mahaboob-	184323,	071,765	Mahaboob-
nagar			nagar
Medak	9699	2,264,124	Sangareddy
Nalgonda	14240	2,850,183	Nalgonda
Nizamabad	7956	2,034,794	Nizamabad
Warrangal	12846	2,811,174	Warrangal
Total		66,304,854	

Hyderabad; Nagarjuna University, Guntur; Sri Krishnadevaraya University, Anantapur; Sri Padmavathi Mahila Vishwa Vidyalayam, Tirupathi; Sri Venkateshwara University, Tirupathi; Telugu University, Hyderabad; University of Health Science, Vijayawada and Kakatiya University, Warangal. Central Institute of English and Foreign Languages (CIEFL), Hyderabad, Rashtriya Sanskrit Vidyapeetha, Tirupati, and Nizam's Institute of Medical Sciences, Hyderabad are deemed universities. A full fledged Maulana Abul Kalam Azad National Urdu University is to start functioning shortly.

# Maharashtra



# Karnataka

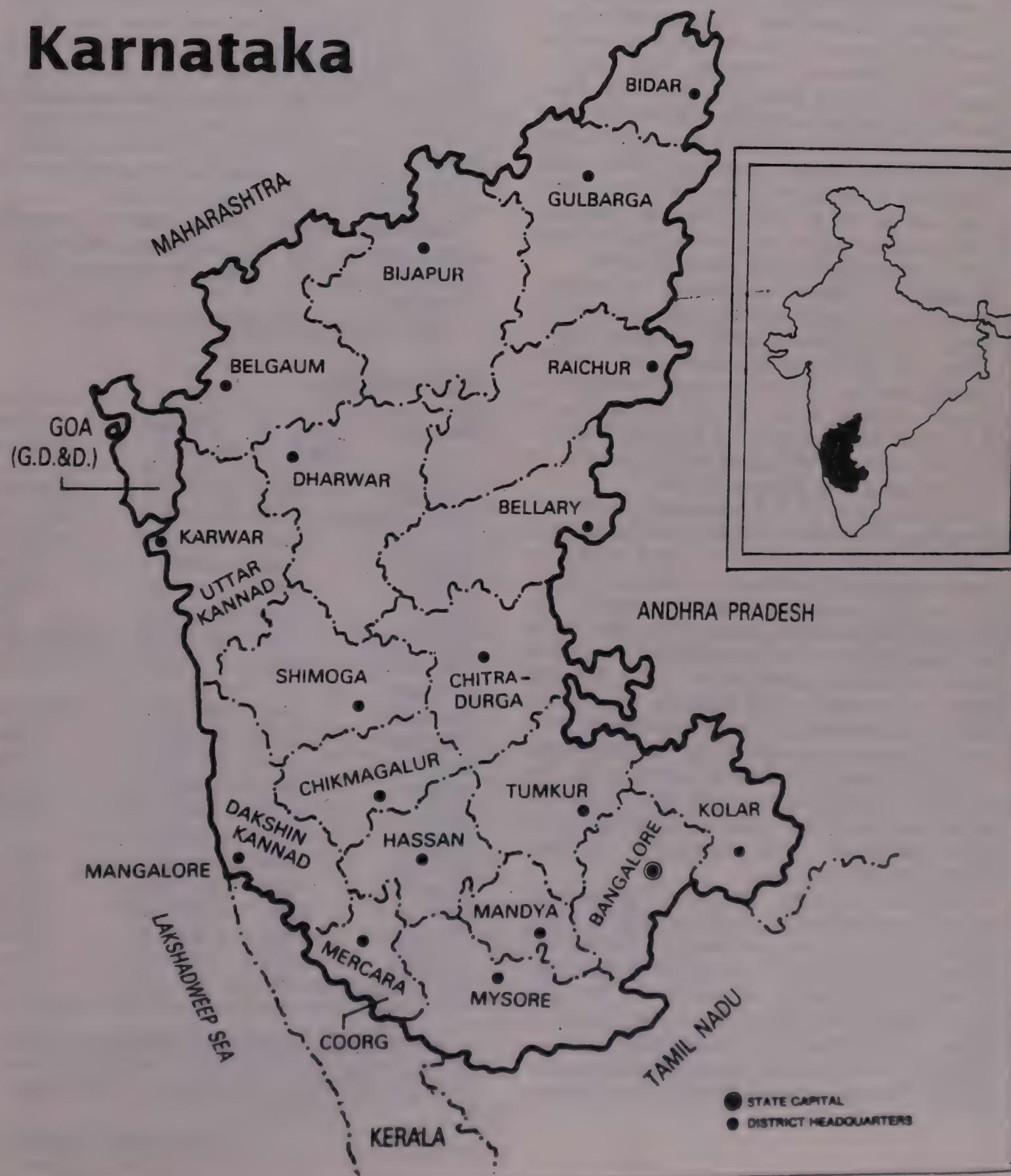
Area: 191,791 sq km; Capital: Bangalore; Language: Kannada; Districts: 20; Population: 44,817,398; Males: 22,861,409; Females: 21,955,989; Increase (1981-91): 7,681,584; Growth Rate (percent) 1981-91: 20.69; Density (persons per sq. km.): 234; Urban Population: 30.92%; Sex Ratio (fe-

males per 1000 males): 960; Literacy: 55.98% Males: 67.25; Females: 44.34; Per capita income (89-90): Rs. 4075. 1991 Census final population total: 44,977,201.

Karnataka is the eighth largest state in India both in area and population. It was formerly known as Mysore. On November 1, 1973 the name Mysore was changed to Karnataka under The Mysore State (Alteration of Name) Act 1973.

The change is much more than a change in

# Karnataka



nomenclature. It is the revival of a great image of the region which, under the name of Karnataka, had attained glorious heights in history.

**Physiography:** Karnataka is situated on the western edge of the Deccan plateau and has for its neighbours Maharashtra and Goa on the north, Andhra Pradesh on the east and T. Nadu and Kerala on the south. On the west, it opens out on the Arabian Sea.

Physiographically, the state can be divided into four regions: (1) The Coastal Region, (2) the Malnad, (3) the Northern plains and (4) the Southern plains.

The two important river systems of Karnataka State are the Krishna and its tributaries (Bhima, Ghataprabha, Malaprabha, Tungabhadra and Vedavati) in the north, and the Cauvery and its tributaries (Hemavati, Shimsha, Arkavati, Lakshmana Thirtha and Kabini) in the south. Both these rivers flow eastward and fall into the Bay of Bengal, the Krishna passing through Andhra Pradesh and the Cauvery traversing Tamil Nadu.

A number of smaller rivers flow westward into the Arabian Sea. Of these Sharavati, Kalinadi and Netravati are important to Karnataka. They are being tapped for hydro-electric power.

**History:** The name Karnataka is derived from Karunadu, literally, lofty land. As much of Karnataka is high plateau land, the name is fully justified. The history of Karnataka goes back to the dim days of the epics. The capital of Bali and Sugreeva, monkey kings of the Ramayana, is said to have been Hampi in Bellary district. Vatapi, associated with the Sage Agastya, is obviously Badami in Bijapur district.

In the 4th century B.C. Karnataka was part of the great Mauryan Empire. Siwamagiri (Kanakagiri in Raichur district) is said to have been the southern capital of the Mauryas. About 30 B.C. a local dynasty, Satavahana, came to power. The Satavahana Empire lasted nearly 300 years. With the disintegration of the Satavahana dynasty, the Kadambas came to power in the north, and the Gangas in the south. The gigantic monolithic statue of Gomateswara at Sravanabelagola is considered to be a monument of the Ganga period.

By the beginning of the sixth century A.D., the Chalukyas established a new empire. After the Chalukyan empire, the Yadavas of Devagiri and the Hoysalas of Dwarasamudra divided Karnataka between them.

In the 14th century, the great Vijayanagar empire was established. It was an age of glory and prosperity. A confederation of the Muslim sultans of the Deccan destroyed the Vijayanagar Empire in 1565 (Battle of Talikota). The vast ruins at Hampi, near Hospet, remain to-day as sombre reminders of Vijayangar glory.

In A.D. 1399 Yaduraya, the ruler of a small principality, Mysore, founded the Wodeyar dynasty.

Raja Wodeyar (A.D. 1578—1612) enlarged the principality into a mighty kingdom, with Srirangapatnam as his capital. The Wodeyars were overthrown by Hyder Ali, the intrepid Muslim general of Mysore. With the defeat of Tippu, the son of Hyder Ali, by the British, the Wodeyars were restored to power as a feudatory of the British.

During British rule, the Karnataka area was distributed among the Princely States of Mysore, Hyderabad, and the British provinces of Bombay and Madras and the small principality of Coorg.

The formation of the present State represented the fulfilment of the age-old aspirations of Kannada-speaking people to come together in a single state. The old Kingdom of Mysore formed the nucleus of the new state. Under the States Reorganization Act, the Kingdom of Mysore gathered around the districts of Kanara, Bijapur, Dharwar and the major portion of Belgaum district in the Gulbarga, Raichur and Bidar districts, from the princely State of Hyderabad, Dakshina Kannada district (excluding Kasargod Taluk) from the old Madras Presidency and the whole of the Part C State of Coorg.

**Administration:** The Legislature is made up of two houses, the Legislative Assembly of 224 members and the Legislative Council of 75 members.

The state is divided into 20 districts.

## Districts

District	Area in (sq km)	Popula- tion '91	Head quarters
Bangalore	8005	4823951	Bangalore
Bangalore Rural	3814	1665468	Bangalore
Belgaum	13415	3520406	Belgaum
Bellary	9885	1892715	Bellary
Bijapur	17069	2914667	Bijapur
Bidar	5448	1251060	Bidar
Chickmagalur	7201	1016839	Chickmagalur
Chitradurga	10852	2177638	Chitradurga
Dakshina Kannada	8441	2692081	Mangalore
Dharwad	13738	3498814	Dharwar
Gulbarga	16224	2573900	Gulbarga
Hassan	6814	1566412	Hassan
Kodagu	4102	485229	Madikeri
Kolar	8223	2211304	Kolar
Mandya	4961	1643626	Mandy
Mysore	11954	3155995	Mysore
Raichur	14017	2307049	Raichur
Shimoga	10553	1900429	Shimoga
Tumkur	10598	2301448	Tumkur
Uttara Kannada	10291	1218367	Karwar

**State of Economy:** Karnataka is predominantly rural and agrarian. About 76 % of its population lives in rural areas while about 71%

rice, jowar, bajra and pulses. Important cash crops are cotton, sugarcane, groundnut and tobacco. Although the state accounts for 9.2 per cent of the total population of the country, it shares about 11 per cent of industrial units, over 17 per cent of labour, about 16 per cent of investment and 23 per cent of the value of industrial output.

The industry groups contributing substantially to Maharashtra's industrial production are chemicals and chemical products, textiles, electrical and non-electrical machinery and petroleum and allied products. Other important industries are pharmaceuticals, engineering goods, machine tools, steel and iron castings and plasticware. It also leads in sophisticated electronics equipment. Santa Cruz Electronics Export Processing Zone (SEEPZ), is a free trade zone for cent per cent export.

The development of offshore oil fields at Bombay High and the nearby Bassein North Oil Fields have contributed greatly for the industrial development of the state.

On September 25, 1995, the CM flagged off the 'Konkan Queen' to inaugurate the 52 km. Khed-Veer section of Konkan Railway at Khed.

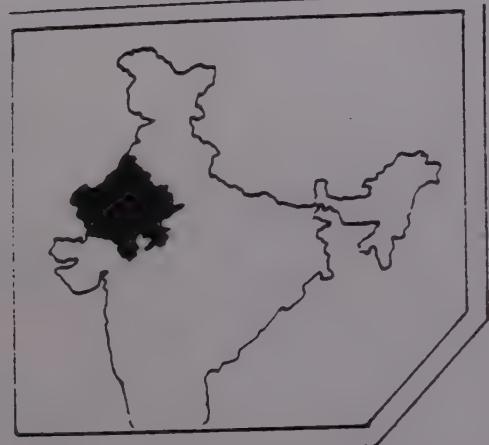
Bombay houses the headquarters of almost all major banks, financial institutions, insurance companies, and mutual funds. Bombay has the largest stock exchange in the country. Bombay contributes 10% of factory employment, 33% of income tax, 60% of the customs duties, 20% of central excise and 40% of India's foreign trade.

Bombay is India's biggest harbour. It receives 50% of international passengers. Bombay is the Hollywood of India as far as film production is concerned. New growth centres are coming up at Nashik, Aurangabad, Nagpur, Jalgaon.

Ganesh Chaturthi is the main festival of the state. Maharashtra Government has proposed to rename Bombay as Mumbai.

**Universities:** Amaravati University, Amaravati; Indian Institute of Technology, Powai, Bombay; International Inst. for Population Sciences, Deonar, Bombay; Konkan Krishi Vidyapith, Dapoli; Mahatma Phule Krishi Vidyapith, Rahuri; Dr. Babasaheb Ambedkar Marathwada University, Aurangabad; Nagpur University, Nagpur; Punjab Rao Krishi Vidyapith, Akola; Shivaji University, Kolhapur; SNDT Women's University, Bombay; Tata Inst. of Social Sciences, Sion, Bombay; Central Inst. of Fisheries Edn., Bombay; North Maharashtra University, Jalgaon; Y. B. Chavan Open University, Nashik; Deccan College of Post-graduate and Research Institute, Pune. The Gokhale Institute of Politics and Economics, Pune is a deemed university. A Sanskrit University named after Kulguru Kalidas at Nagpur has been approved. Swami Ramananda Teerth University is to be set up at Nanded.

# Rajasthan



PUNJAB  
PAKISTAN

GANGANAGAR HARYANA

STATE CAPITAL  
DISTRICT HEADQUARTERS

BIKANER

CHURU

JHUNJHUNU

DELHI  
UTTAR  
PRADESH

JAISALMER

NAGAUR

JAIPUR

BHARATPUR

JODHPUR

AJMER

Sawai  
MADHOPUR

BARMER

PALI

TONK

BUNDI

MADHYA  
PRADESH

GUJARAT

UDAIPUR

BHILWARA

KOTA

DUNGARPUR

BANSWARA

CHITTAUR  
GARH

JHALAWAR

## Rajasthan

**Area:** 342,239 sq km; **Capital:** Jaipur; **Languages:** Hindi and Rajasthani; **Districts:** 30; **Population:** 43,880,640; **Males:** 22,935,895; **Females:** 20,944,745; **Increase in (1981-91):** 9,618,778; **Growth Rate (percent) 1981-91:** 28.07; **Density (persons per sq.km.):** 129; **Urban Population:** 22.88%; **Sex Ratio (females per 1000 males):** 913; **Literacy:** 38.81%; **Males:** 55.07; **Females:** 20.84; **Per capita income (89-90):** Rs. 2923. **1991 Census final population total:** 44,005,990.

Rajasthan is one of the border states of India, sharing India's frontier with Pakistan on the west and northwest. Punjab bounds it on the north, Haryana and Uttar Pradesh on the northeast and east, Madhya Pradesh on the south and south-east and Gujarat on the south-west.

**Physiography:** Rajasthan is one of the few states of India that show great contrast from one area to another. This disparity is noticeable in respect of climate, soil, vegetation, mineral resources, etc.

However, the state may be divided into 6 regions. (1) Western arid region, (2) Semi-arid region, (3) South eastern region, (4) Chambal ravines, (5) Aravalli region and (6) Eastern region.

The western arid region covers the whole of Jaisalmer district, north-western part of Barmer and Jodhpur, south-east Bikaner, south western Churu and western part of Nagaur. This region is characterized by typical desert conditions and forms the largest region in the state.

The semi-arid region lying west of the Aravalli ranges covers the districts of Jalore, Pali, south-eastern Jodhpur and Nagaur, Sikar, Jhunjhunu and north-eastern part of Churu. The southern part of this area is watered by the Luni river while the northern part is an area of inferior drainage.

The Rajasthan canal (named as Indira Gandhi Canal) passes through the north-west portion of this region irrigating at present Ganganagar district and the north western part of Bikaner district.

The Aravalli region covers almost the whole of Udaipur, south eastern part of Pali and Sirohi and the western part of Dungarpur districts. The area is dominated by the mountains of the Aravalli range and outlying hills.

The eastern region comprises the districts of Jaipur, Ajmer, Sawai, Madhopur, Bhilwara, Bundi, Alwar, Bharatpur and north-western part of Kota. It is mainly drained by the Banas river and its tributaries. This region has the largest num-

## New Jaipur

A 'New Jaipur' is in the making. The Jaipur Development Authority (JDA) has proposed to build it as an environment friendly new township.

The township is to come up in the lap of the Aravallis on Jhalana Dungri region. It will also have planned woodlots, fast tract transport, social infrastructure like schools, dispensaries and community shopping centres, a low density zone with tourist resorts, film studios and a golf course.

The basic structure for New Jaipur is expected to be ready in three years.

JDA believes that Jaipur, the Pink City, the first planned city in North India, does not figure among the top 10 preferred cities of the country for habitation as well as business.

Despite its place in the world tourism map, Jaipur was, of late, found wanting in many aspects as far as tourists and the elite population were concerned. Hence the new city.

The recent broad gauge rail link and the general peaceful atmosphere of the city were, however, proving to be a major attraction for many Rajasthani doing business elsewhere in the country and NRIs hailing from the State to settle down in Jaipur.

Presently an area of 25,000 bighas is expected to be available for New Jaipur which would also have a separate NRI section.

The environmental aspects of the Jhalana hills will be taken into consideration while developing the city. JDA would try to put an end to mining in the Jhalana hills. Periphery towns would also come up along New Jaipur in which 100 feet woods would be developed separating them from the main city. The houses in the new city would structurally resemble the traditional 'havelis' of Rajasthan.

It is planned to give private entrepreneurship a major role in building New Jaipur.

ber of industries, located mainly at Jaipur, Ajmer, Kota, Bhilwara and Shahpura.

The south-eastern region embraces the districts of Banswara, Chittorgarh, Jhalawar and Kota. The Kota-Jhalawar area consists of stony uplands but the Chambal river and its tributaries have formed an alluvial basin in Kota.

The Chambal ravine region lies along the river Chambal, where it forms the boundary between Rajasthan and Madhya Pradesh.

**History:** The State of Rajasthan is an amalgam mainly made up of the old princely states of Rajasthan. It took some eight years for the state to come into its present shape. The first step towards the formation of this state was taken on March 17, 1948 with the formation of the Matsya Union, a Union of four princely states, Alwar, Bharatpur, Dholpur and Karauli. The second step came with the formation of Rajasthan, a Union of 9 states-Banswara, Bundi, Dungarpur, Jhalawar, Kishangarh, Kota, Pratapgarh, Shahpura and Tonk on March 25, 1948. The state of Udaipur joined this union on April 18, 1948, thus transforming the Union into the United States of Rajasthan.

The next two important steps were taken in 1949, the first on March 30, 1949 when the four large princely states of Bikaner, Jaipur, Jaisalmer and Jodhpur joined the United States of Rajasthan and the second on April 25, 1949 when the Matsya Union joined up. The new union was known as the United States of Greater Rajasthan. The Union of Greater Rajasthan was further enlarged by the accession to it of the state of Sirohi on Jan. 25, 1950. The final step was taken when the state of Ajmer, the tehsil of Abu and the area of Sunel Tappa were integrated with Greater Rajasthan on Nov. 1, 1956, to be known simply as Rajasthan.

**Administration:** The legislature is unicameral the Legislative Assembly. The state is divided into 30 districts, 87 sub-districts and 211 tehsils. The High Court is at Jodhpur with an additional bench at Jaipur.

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## Districts

District	Population 1991	Area (sq km)	Head-quarters
Ajmer	1,723,081	8,479	Ajmer
Alwar	2,286,701	8,382	Alwar
Banswara	1,154,964	5,037	Banswara
Barmer	1,433,351	28,387	Barmer
Bharatpur	1,646,501	8,093	Bharatpur
Bhilwara	1,591,236	10,450	Bhilwara
Bikaner	1,209,107	27,231	Bikaner
Bundi	768,150	5,550	Bundi
Chittorgarh	1,482,267	10,858	Chittorgarh

Churu	1,539,470	16,829	Churu
Dungarpur	874,329	3,770	Dungarpur
Ganganagar	2,618,914	20,629	Ganganagar
Jaipur	4,719,257	14,068	Jaipur
Jaisalmer	343,648	38,401	Jaisalmer
Jalore	1,141,604	10,640	Jalore
Jhalawar	955,510	6,216	Jhalawar
Jhunjhunu	1,565,488	5,929	Jhunjhunu
Jodhpur	2,127,552	22,850	Jodhpur
Kota	2,027,375	12,437	Kota
Nagaur	2,137,258	17,718	Nagaur
Pali	1,484,691	12,391	Pali
S. Madhopur	1,953,807	10,593	S. Madhopur
Sikar	1,836,572	7,732	Sikar
Sirohi	653,324	5,135	Sirohi
Tonk	973,118	7,200	Tonk
Udaipur	2,885,039	17,267	Udaipur
Dholpur	748,326	3,000	Dholpur
Baran	809,176	—	—
Dausa	832,817	—	—
Raj Samand*	—	—	—

\*The 30th district has been carved out of Udaipur.

**State of Economy:** Total cultivable area is 274.71 lakh hectare and irrigated area 53.50 lakh hectare. The principal crops are jowar, bajra, maize, wheat, grams, oil-seeds, cotton, sugar-cane and tobacco. A deficit state in foodgrains in the pre-independence years, the state achieved an all-time high in farm yield in 1967-68 (66 lakh tonnes). This abundance was followed by two years of want and unprecedented scarcity which shattered the economy of the state. [Estimated agricultural production was 147.57 lakh tonnes in 1993-94.]

Textiles, rugged and woollen goods, sugar, cement, glass, sodium, oxygen and acetylene units, pesticides, insecticides and dyes are some of the major industries. Other enterprises include the manufacture of caustic soda, calcium carbide and nylon tyre cord and copper smelting.

Rajasthan handicrafts are famous all over the world. Important handicrafts are marble work, woollen carpets, jewellery, embroidery, articles of leather, pottery and brass embossing.

Total length of roads is 61,520 km and railway length 6228 km.

**Universities:** University of Rajasthan, Jaipur; Ajmer University, Ajmer; Banasthali Vidyapith, Banasthali; Birla Institute of Tech. & Science, Pilani; University of Jodhpur, Jodhpur; Kota Open University, Kota; Mohanlal Sukhadia University, Udaipur; Rajasthan Agricultural University, Bikaner; Rajasthan Vidyapith, Udaipur. Ajmer has become the first fully literate district in the whole of North India.



